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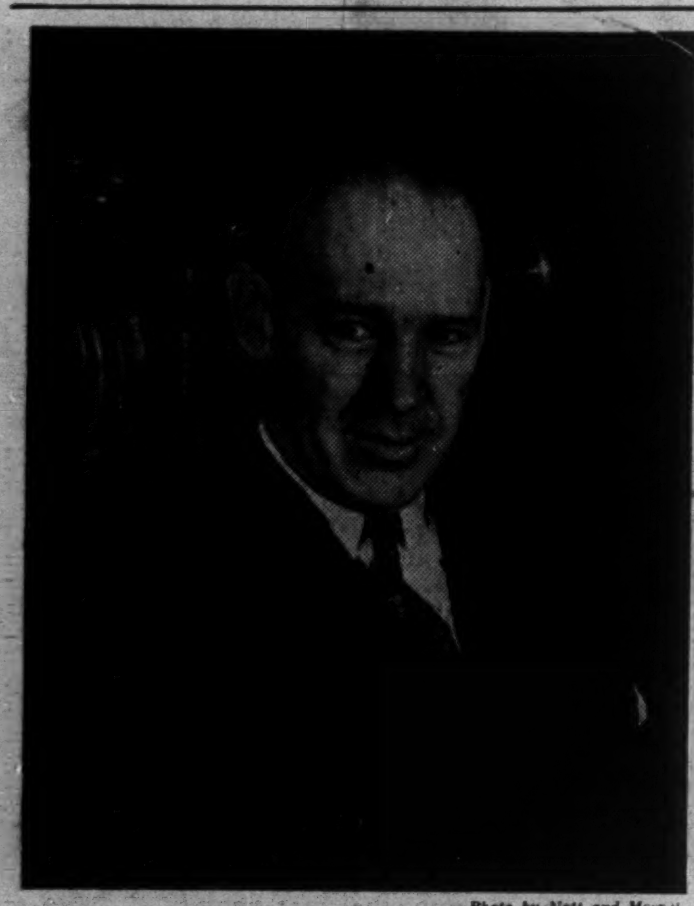
Architect of Preparedness



—Photo by Nott and Merrill.

Harry John Carmichael, C.M.G., Canadian No. 1 production co-ordinator during World War II, was this week named to head up an equally important peacetime job of industrial co-ordination: he became president of Canada's new Industrial Defense Board. Harry Carmichael began 35 years ago as a 30c-an-hour patternmaker, rising to be president and general manager of McKinnon Industries, St. Catharines, Ont., later general manager of General Motors and latterly vice-president and director, Conroy Mfg., St. Catharines.

THE NATION'S BUSINESS

Is Our Defense Dollar Being Spent Wisely?

Overwhelming decision of the U. S. House of Representatives last week to spend $3 billions on the U. S. air arm is something of immediate concern to Canada. A potent air force next door is a mighty factor in our own defence.

In the past, Canada's main shield has been the British Navy. That defence is no longer effective in terms of present and future realities. Modern defence demands a modern air force ready to strike at a moment's notice. That can prevent agression as well as stop it. Chances of a Third World War may well be considerably lessened if Russia is confronted with a formidable U. S. air arm capable of warding off any attack until new weapons and new planes can be placed in production.

This raises the question of what role Canada should play in this situation. This is discussed in a special article on page 33. As disclosed there, the $232 millions asked for in 1948-49, to operate and equip the Canadian armed services is essential to maintain a vast educational organization. We also carry out certain naval operations, important research activities and maintain a sort of watching brief over a far-flung Arctic area.

There is no indication, for example, that Canada is embarking on an expansive five-year program such as was announced in Australia last year. Compared to Britain and United States, our defence costs are low and conservative. They compare very closely with those of Australia, especially when it is realized that that country is almost completely isolated, whereas we, quite properly, must take account of the benefits as well as the dangers of proximity to the United States.

Our Biggest Contribution

What may very properly be argued is that Canada would be foolish to start a vast program of air expansion merely because the United States has deemed it wise to do so.

This country, by its very size, can play little or no part in the "war of deterrence."

We could double or treble our defence expenditures and it still wouldn't make much difference so far as any Russian decision in favor of war or peace.

True, we might be much better informed and more alert on our Arctic frontier. But reasonable and perhaps joint precautions could probably be taken in that area, with no great added expense. Meanwhile, vigorous and imaginative work on special research projects, on high-calibre training and leadership are typical activities which we may well pursue and perfect.

There is one additional important role for Canada. It is: industrial preparedness and the expansion and availability of the many strategic materials which we can supply in case of emergency. This is something where the North American defence partnership can become very truly effective; granted there is co-operation from Washington.

Our usefulness as a democratic ally, in the event of another conflict, won't necessarily lie in the number of troops and planes we can put into the air at the drop of a hat.

It may well depend on our industrial preparedness and our ability not only to integrate our industry but to maintain a strong and healthy industrial economy north of the 49th parallel. This is where the new Board under Harry J. Carmichael can play a most effective part.

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Isn't There a Simpler Way?

An impartial listener to the Chicago Round Table broadcast from Toronto last Sunday on Canadian Government controls affecting the use of U. S. dollars, could hardly have awarded the honors to the defence. Supporting Ottawa policy were Donald Gordon of the Bank of Canada and Prof. W. A. MacIntosh, head of Queen's University's economics department. Critical of that policy was Milton Friedman of the University of Chicago.

Both sides agreed that Canada's present economy, even with the additional capacity created during the war, was incapable of supporting a normal standard of living at home, record exports to Britain and Continental Europe on credit and vastly increased purchases from the United States for cash. On the remedy they did not agree.

Messrs. Gordon and McIntosh defended the present policy of selective control on imports from the United States. Prof. Friedman argued that this was cumbersome, bureaucratic and unnecessary. Best judges of what to import, he said, were the business men and other consumers who wanted to import. He would let them make their own choice but would discourage U. S. imports generally and at the same time encourage Canadian exporting to the U. S. by a modest devaluation of the Canadian dollar.

"The most effective and efficient way of solving this problem is to use the traditional mechanism of a free price system and the general mechanism of broad credit control," said Friedman.

To a great many control-weary Canadians the clear-cut Friedman argument must appeal strongly if for no other reason than that it is in sharp contrast to the vagueness of the Ottawa policy. The average citizen must assume that in its controls the Government is seeking to establish a certain equilibrium but he is left completely in the dark as to where and what that equilibrium will be.

Netherlands Pacing European Recovery

Holland Industrial Utopia, Financial Post Editor Finds; No Major Strike Since Liberation — "Communism Dying Fast"

What's the picture in Europe today? What are the people talking about? How do they feel toward Canada?

Ronald A. McEachern, editor of The Financial Post, who attended the Netherlands International Trade Fair at Utrecht last week, here gives some impressions of Holland — its industry, its people and their work and plans. (Another article will be found on page 11).

By RONALD A. McEACHERN

THE HAGUE—A slogan widely used here is "Watch Holland." It's a good one, and the results will be worth watching After taking the worst pummeling of any country in the war, Holland is steaming back into a position of prime importance in the commercial world. The terrific drive and discipline of these people is everywhere evident.

For a week now I have been travelling around this tiny kingdom, talking to officialdom, businessmen, people on the trams. Most striking thing is the astonishing warmth toward Canadians and the interest in Canada. "Half of Holland would move to Canada if they could," one official told me. "Our liberators" is almost always what Netherlanders say when they meet a Canadian. Then they tell about the Canadian soldiers who lived in their homes, or went out with their daughters or who gave them food luxuries from Canada.

According to the Canadian Ambassador here, Pierre Dupuy, the mail between Holland and Canada is of staggering proportions. Letters home from Netherland brides; recent migrants; and, above all, between Canadians and Hollanders who became friends during the occupation.

The intensity of hatred for the Germans is the next impression that emerges from every conversation. It is a fierce fire burning in the mind of everybody I have talked with.

Nobody speaks German here any more, though most know it. Not knowing the Dutch language I have several times tried using my small store of

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Seeding Rush On In West As Winter Relaxes Grip

From Our Own Correspondent

WINNIPEG — Western farmers traditionally like a late spring, rather than one unusually early. They like to see soil moisture locked in the ground by frost until it is really needed, rather than to have the soil exposed too early to drying winds. Consequently, the extent of alarm which has been felt at the lateness of the present spring has been limited, although the time was drawing rather near when concern would have been felt, if warm days had been much longer delayed.

The warmth of the last few days, and the rapid disappearance of snow over large areas has been welcomed. A good deal of work on the land is hoped for by May, although some districts do not expect to accomplish much before May 10. Subsoil moisture reserves are good, and top moisture more than plentiful. With tractor-drawn seed drills working into the night if necessary, farmers can get the seed into the ground with great speed, once the land is in condition to be worked.

Extent of wheat acreage will depend largely on the weather until the end of May. Most farmers like to finish their wheat seeding by the middle of the month, but most are willing to continue to the 24th. A limited number will risk seeding wheat up to the end of May. Oats and barley follow on after wheat in the farmer's calendar, and then the process of summer-fallowing land not to be cropped this year.

The area to be summer-fallowed is elastic, increasing when subsoil moisture is deficient, or when unfavorable weather checks a full seeding program. It shrinks when high prices tempt some farmers to depart from what they have usually regarded as sound farming practice, or when a combination of good moisture conditions and favorable weather encourages an enlarged seeding program.

Over the drier parts of the West, summer-fallowing is a necessary measure for moisture conservation, allowing the moisture of two seasons to be applied to the production of a single year's crop, or of three seasons to the crops of two years. In other areas summer-fallowing is primarily a measure for weed control. This year farmers will be engaging for the first time in large-scale efforts to combat weeds by the application of 2-4-D chemical sprays. The expected success of such efforts may enable reduction in subsequent years of the practice of summer-fallowing.

Costs May Force Paper Prices Up —E. Howard Smith

MONTREAL (Staff) — Still higher prices for the company's products if costs continue to rise were forecast by Howard Smith Paper Mills' president, E. Howard Smith at the annual meeting of shareholders this week. Income retained by the company or paid out in dividends in 1947 was less than in prewar years, he stated, adding that this was due to some extent to the company's conservative price policy.

During 1936-39 inclusive (base for computing excess profits tax) 15.32 cents remained out of the income dollar for the company and shareholders after all charges. During the war years, President Smith said, this residue was progressively reduced to 10.22 cents in 1945. In 1946, 11.20 cents was retained; 12.23 cents in 1947. This compares with an average over 10 years of 12.73 cents, Mr. Smith added.

PRICES

Two major price breaks came on the industrial front in the U. S. this week, but neither can be expected to have any reflection here—for a while anyway.

General Electric announced a flat 5% cut in the prices of many items put out by its Apparatus Division. Cuts, it is estimated, will save customers nearly $10 millions this year.

Items reduced included much of the apparatus going into modern power plants such as fractional horsepower motors, transformers, switchgear, power capacitors.

Most of the items affected are made by Canadian General Electric for Canadian use. The Canadian company announces no such reduction, the second made this year by the parent organization, and made possible, General Electric's president Charles E. Wilson announces, "by increased sales volume, more efficient facilities and manufacturing methods and by customer acceptance of simplified and standard designs."

Bendix Home Appliances Inc. announces a 7% reduction in the price of its washing machines. Standard model will now cost $229.95; the de luxe automatic $249.95, at U. S. retail.

Imports to Canada presently are banned under the "austerity" program.

In commodities in the U. S.:

Cottons were still on the way up. Tuesday to Tuesday, the last week had seen May futures advance on the New York market from 37.20c to 38.38c; July futures from 36.62c to 37.65c.

May wheat was steady—around the $2.50 mark.

The food bill:

The Parliamentary Prices Committee had ended its long-drawn-out inquiry into butter, was now on to meat—and several

(Continued on page 3, col. 2)

St. Lawrence Reorganization Plan Delayed?

MONTREAL (Staff)—A new reorganization plan for St. Lawrence Corp. is not expected until next week at the earliest, The Financial Post is informed. The company's annual report stated that the directors would attempt to have revised proposals announced before the end of this month. Early this week individuals closely associated with the working out of a new plan stated that it would not be completed until next week at the earliest; perhaps not in time for the annual shareholders' meeting on April 30.

It is understood pressure has been put on the directors of St. Lawrence Paper Mills by some preferred shareholders to have the reorganization plan of that company implemented. Paper Mills has applied for supplementary letters patent to confirm the Paper Mills plan, but so far the application has not yet been granted, it is stated. Observers here believe that the Quebec Superior Court order which washed out the corporation plan, may result in the letters patent for the Paper Mills being held up.

In any case, directors of St. Lawrence Corp. and of Paper Mills are preparing new reorganization plans for both companies. It has not been indicated just what new provisions will be included, but in its annual report the Paper Mills stated that a cash payment equal at least to a quarterly dividend on the preferred stock, is contemplated in the revised plan. A report on the situation with respect to both companies will be

Continued on page 2, col. 1

Dollar Picture Brighter But Controls Still Stay

OTTAWA (Staff) — Canada continues to hold her own in the battle for U. S. dollars. Results to date are better than originally anticipated. Last year it was feared that our gold and U. S. dollar reserve would sink to $400 millions, before it started upward. Actually, the low point was only $461 millions and there has been slow but steady improvement each month since then.

But there isn't anything on the horizon as yet to suggest that there can be any important measure of relief during 1948 or that even with the help of ERP, we can consider any removal of controls.

What we have done, so far, is to cut down the heavy drain on our reserves which was taking place last year at the rate of about $80 millions monthly.

True, we are slowly adding to our reserves of U. S. dollars, but chiefly by counting in non-recurring or capital items such as the proceeds of the U. S. loan; special payments from the United Kingdom and the United States, etc.

Reserves $600 Millions?

Canada's actual gold and dollar reserves as at the end of March, will probably be around $600 millions, against $527 millions at Feb. 29. But this $600 millions figure will include the first $50 millions borrowed under Export-Import Bank credit on March 1. It will also include a quarterly repayment by the British on account of the non-interest-bearing loan of 1942. This first-quarter payment is reported to be especially large, around $35 millions, thus bringing the outstanding

(Continued on page 3, col. 4)

Ottawa Moves To Mobilize Industry

OTTAWA — Industrial preparedness and the need for increasing co-operation between industry and the armed forces are reasons behind formation this week of Canada's Industrial Defence Board.

The government order-in-council formally creating this new board was passed by the cabinet on April 19.

The new board is headed by Harry J. Carmichael of St. Catharines. Vice-chairman is J. E. Simard, vice-president of Sorel Industries and Marine Industries, Ltd.

Other members include:

J. R. Donald, Donald Inspection, Ltd., Montreal.

William Knoll, general manager, Trenton Industries, Ltd., New Glasgow.

J. J. Notman, Dominion Engineering Works, Ltd., Montreal.

Clarence Wallace, pres., Burrard Drydock Co., Vancouver.

W. A. Wecker, general manager, General Motors of Canada, Oshawa.

Major-General J. H. MacQueen, president, Canadian Arsenals, Ltd., Ottawa.

Dr. O. M. Solandt, chairman, Defence Research Board, Ottawa.

Gordon Mills, Deputy Minister of National Defence, Ottawa.

M. W. Mackenzie, Deputy Minister of Trade and Commerce, Ottawa.

As well there is to be one full-time "service" officer to serve the

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What Tax Changes Coming in Budget?

Processed Foods, Amusements, Transportation May Get Relief — Will Ottawa Continue to Collect $3 For Every $2 It Spends?

By KENNETH R. WILSON

Ottawa (Staff) — Things are warming up here for a nice lush "window-dressing" budget to be presented to the Canadian people about the middle of May.

The window-dressing? It may take the form of action on such things as abolition of the sales tax on processed foods; lifting amusement and betting taxes and the tax on transportation.

The budget address will be lush because it will show the greatest surplus in Canadian history — probably something above the $700-million mark and possibly as high as $750 millions.

There will be the usual warnings that against this surplus the Canadian people have loaned on capital account the sum of $400 millions to the United Kingdom and foreign governments on trade account.

But that won't alter the fact that the Government is collecting in taxes and revenues about $3 for every $2 it spends. Also, there are not likely to be any further substantial advances by way of loans or credits in 1948, because of our dollar plight. Apart from any new offer of aid that may be made by Canada as part of her partnership in ERP, the probable extent of British and European loans under existing credits in 1948 is likely to be somewhere between $100 and $125 millions.

What Relief from Budget?

Peering behind the iron curtain of traditional budget secrecy and reserve still doesn't throw up a great deal of hope for harried taxpayers despite this huge surplus.

No one in Ottawa denies that present tax rates could easily throw up another huge surplus for 1948-49 — probably as big a surplus as in 1947-48 — even after a number of "window dressing" tax cuts.

But assuming there isn't going to be a Federal election until 1949, the arguments are overwhelmingly strong in favor of holding the anti-inflationary line and not giving way, this year, to increasing Parliamentary demands for income tax relief.

Whether Mr. Abbott keeps a stiff upper lip on this point won't be known till Budget Day. But present indications suggest the Government will do its utmost to hew to the anti-infationary line and continue to keep something close to the 3-2 ratio between revenue and expenditure.

Such a course would clear the way for big gobs of real relief next year prior to a federal contest at the polls. It would be directly in line with the strong inflationary warnings which Mr. Abbott put up recently in the House when he was discussing dollar controls.

Are These Changes Coming?

What about the "window dressing"?

It is almost certain that the Government will move next month to lift the sales tax on the foodstuffs which now remain under the 8% impost.

Compared with the important items like bread, butter, cheese, eggs, milk, fish, flour, fresh meat, etc., which are now exempt, the food stuffs presently bearing the tax are not basic or "bread-and-butter items" but they are very important to the housewife. They include: All canned goods such as canned soups, fruit, fish, meat, poultry, vegetables, etc. All preserves such as jams, jellies, pickles, sauces, marmalade, etc.; all processed and packed foods such as biscuits, rolled oats, prepared cereals, etc.; all smoked or prepared meats like bacon, ham, sausage, etc.; ice cream, chocolate milk.

As well, there is almost certain to be some action on the controversial amusement and betting taxes which provinces have been eyeing for many a month.

What could be argued about tax cuts such as these is that they do not affect commodities and therefore their removal would not be inflationary.

It is not easy to figure out just how much revenue would be affected by changes such as the above.

Sales tax figures are not publicly available except in a grand total. Amusement taxes and the tax on betting brought in $17 millions in 1946-47: are running considerably higher today. There is also the tax on cabarets which is high and difficult to collect, but on which no separate figures are published. It would presumably be lifted with the removal of the levy on amusements.

Another handsome "service" tax is the levy on transportation and communications. This netted $28 millions in 1946-47 and again might be argued as not affect-

(Continued on page 3, col. 2)

Inside News

Prairie Picture Broadens

Agriculture is still King of the West, but the Prairies are paying more and more homage these days to a potentially strong contender for the economic throne—industrialization. The Financial Post presents its annual economic review of Canada's Prairie Provinces (pages 21-31).

Grow More Wheat?

Should Western Canada increase its wheat acreage, in the light of the international and domestic picture? A majority of Canadians answering a Financial Post questionnaire say "yes"; minority, equally emphatically "no." Their answers present an interesting cross-section of informed opinion (p 31).

Insurance Soars

Fire insurance premiums written in Canada last year totalled $93.3 millions, an increase of 26.33% over 1946. Automobile insurance written showed a gain of 43%. Losses in both classes were higher, but in the case of fire insurance, the ratio of losses to premiums was down. The Financial Post presents its annual review of fire and casualty insurance (pages 34 to 38).

'Push-button' War?

What is Canada's defense dollar worth? Defense expenditures in 1948-49 will cost taxpayers of the Dominion over $230 millions, more than seven times the prewar total; and still experts say the nation is far from ready to meet the threat of "push-button" warfare (p 33).

Sound Time to Buy

Now is a wise time to buy sound, dividend-paying industrial stocks, in the opinion of MacNab's investment manager. Many of these, he states, are now selling at "ridiculously" low valuations, with respect to earnings. Managed Investment (p 5).

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Business Year Book Gives Facts To Aid Planners

What facts do you need about production, sales, chief industries, domestic markets and foreign trade of Canada?

Such facts when available are usually scattered. In the 160 pages of The Business Year Book for 1948, just off the press, they are gathered together to provide a ready reference for business planners, writers, sales executives and advertising managers.

One of the several important articles reviews Canada's dollar crisis and the steps taken by the government to meet it.

Here too is a detailed study of all cities in Canada, their transportation facilities, government, debt and taxation position, population, racial and religious complexion and chief industries. Trading areas are shown.

This 1948 edition is the 24th annual edition of The Business Year Book. It is published by Maclean-Hunter Publishing Company Limited, 481 University Ave., Toronto, at $2.

Are Reds Behind Housewives?

Here's Score on Ottawa Price Demonstration

By RONALD WILLIAMS

What about the Housewives Consumers' Association?

In refusing to see this group in Ottawa last week, Finance Minister Abbott declared its primary purpose was to "foster Communist propaganda."

The titular head of the organization, Mrs. Rae Luckock of Toronto, says such an implication is ridiculous.

Are any of its leaders Communists or Communist sympathizers and if so, who are they?

Take the Toronto group. Mrs. Luckock, besides being leader of the abortive Ottawa demonstration (which was spearheaded by the Toronto group) is also president of the Queen City organization. As such, she should know who's who.

The Toronto Line-Up

Mrs. Luckock was a CCFer and still may be although she's embarrassing the anti-Communist CCFers no end, particularly in view of their policy of no truck or trade with the LPP.

Vice-President, Mrs. Louise Watson, has been a candidate for Toronto's Board of Education with the support of the Communist weekly, the Tribune.

Secretary, is Margery Ferguson, wife of Communist Dewar Ferguson, former LPP alderman in Toronto, now business agent for the Red-run Canadian Seamen's Union.

Treasurer, Mrs. Reg. Wright, wife of Reg. Wright, official of the pro-Communist AFL International Chemical Workers union and a leading light in last year's violence-ridden strike at the St. Lawrence Starch plant in Port Credit, Ont.

Campaign director, Helen Weir, is wife of John Weir, former managing editor of the Communist newspaper and a Toronto school trustee. As campaign director, Mrs. Weir was the figure-head organizer of last week's Ottawa affair.

Corresponding secretary, Edna Hahn, lives in a Toronto suburb and is claimed by the Communist press, particularly during municipal elections when she runs for Board of Education.

On the executive (made up of the presidents of ward associations) is at least one known Communist and two sympathizers. The known LPPer, Mrs. Elizabeth Morton who ran as an LPP candidate in the 1946 Parkdale by election and has sat on the Toronto Board of Education.

Typical Communist Strategy

In Toronto, the Communists have had complete control of the Housewives' group since the last election of officers. Up to then, they were kept pretty well under control. But resignations, brought on by constant Communist sniping, gave the Reds their chance. The election meeting was poorly attended (by anti-Reds) and the leftists grabbed all the key positions except the presidency which they left to a noncommunist—Mrs. Luckock. This is typical Communist front strategy.

So was the Ottawa demonstration. It fitted neatly into the pattern of Communist "popular front" exhibitions. It had a popular cause: roll back prices; and it had the support of a lot of unsuspecting persons who didn't know they were being taken for an ideological ride.

A cross-Canada survey by The Post shows much the same setup as in Toronto. The Housewives' Organization (not to be confused with the Canadian Association of Consumers) has turned out to be the most effective Communist front the Reds have had for a long time. Here's the picture:

British Columbia: When the branch of the imminently respectable and genuine Canadian Association of Consumers was formed, the party-lining Housewives Consumers' League changed its name. Observers believe it was done to deliberately confuse one organization with the other. Its head is Mrs. Freda Adams, politics

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Pace of Business

Stock market rise continued strongly in latest week. Canadian industrials, paper stocks, base metals and oils, all moved into new high grounds; but golds moved two points lower on Toronto Stock Exchange. N. Y. Dow-Jones industrial average now nearing 186.86 high, suggesting "bull market" may be close.

Car loadings reached a new 1948 high at 77,851 cars for week ended April 10 compared with 74,459 cars the previous week and 71,312 cars in corresponding week in 1947. Grain loadings dropped from 8,087 cars in 1947 to 5,117 cars, grain products from 3,312 to 3,052 cars. Majority of other commodity groups recorded increases.

Department store sales increased 10% in March, 1948, over similar month of last year. Changes in the seven regional divisions: Maritime Provinces, up 6%; Quebec, up 4%; Ontario, up 19%; Manitoba, up 3%; Saskatchewan, up 1%; Alberta, up 4%; and British Columbia, up 15%.

Wholesale sales were 3.5% higher in dollar volume in February than similar month of 1947, DBS figures show. Gain was slightly higher than that recorded in January.

Canadian wheat stocks in North American positions totalled 209.6 million bus. at Mar. 31, a drop of 36.4 million from corresponding date last year. Oat stocks totalled 135,492,242 bus. (184,209,708 bus.); barley, 72,940,054 (76,944,556); rye 22,224,209 (2,816,916).

Sales of 935 retail food chain stores were 43% higher in February, than for 929 stores operated by same firms in February, 1947.

Operating revenues of Canadian railroads at $60,450,702 in January, 1948, were 5% above similar month last year, DBS figures show. Freight revenues were nearly 7% higher at $47,921,381; passenger revenues dropped about 9% to $6,287,866.

Housebuilding contracts awarded first quarter $50.5 millions, up 91% from year ago; March $20.5 millions, up 47% from year ago, up 36% from month before.

Wire nail production totalled 5,670 tons in February, 1948 (6,015 tons, February, 1947).

EATON'S

HATS APLENTY!

The Spring hat for you . . . cool, light and comfortable . . . is almost sure to be found in EATON'S vast collection of new headgear. Here you'll find snap brims (wide and narrow), off-the-face models, Homburgs and Derbys, straws, and sports models . . . and the most popular "names," including Gleneaton, Christy, Biltmore, Borsalino, Scott, Knox, Stetson, and the others.

Save time; visit us first!

EATON'S

Here's How Southwest Ont. Plans Winter Gas Supply

King Winter is in for a beating from Southwestern Ontario gas companies next winter. Big plans are afoot to avoid any recurrence of last winter's costly industrial work stoppage from insufficient gas supply and pressure.

By jumping Windsor storage facilities for propane by 500,000 gallons and gathering natural gas from scattered wells into central storage area during off-season summer months, Union Gas Co. of Canada thinks it will lick the bogey of gas shortages in the industrialized Windsor-Sarnia-London area.

"With these additional facilities being installed in Windsor, we expect to be able to meet any demand next winter without any need for curtailment," Thomas Weir, General Manager of Union Gas Co. tells the Financial Post.

Windsor recently agreed to a somewhat higher interim gas rate increase than that generally in force when it was understood that the company planned going into next winter with reserves of some 725,000 gallons of propane. By mixing high B.T.U. propane gas with oil gas made in company's Windsor plant a mixed gas will be turned out with approximately the same B.T.U. rating as company's natural gas.

Dominion Natural Gas Co., Brantford, plans construction of a $2.25 million oil-gas plant at Port Stanley. This plant will be ready for the 1949 winter season and will mean substantially increased supplies of gas for company's customers in the Haldimand County-St. Catharines-Thorold area.

Provincial Gas Co., serving the Fort Erie-Niagara Falls-Welland area is making arrangements to re-pressure depleted gas fields in Welland County with a mixed gas which will be purchased from Iroquois Co., Buffalo, N.Y.

Current hearings of the U. S. Federal Power Commission in Washington relative to allocation of natural gas supplies for next winter might result in Union Gas getting delivery of token shipments, at least, from Panhandle Eastern Pipe Line, Texas, with whom they have a 20-year contract for delivery of 5.5 billion cu. ft. of natural gas annually.

In the meantime, officials acting as inspectors for the Provincial Fuel Controller are making a complete survey and review of the heating load in southwestern Ontario with a view to removing a number of less essential heating units and those installed without permit.

News of Advertising

International Nickel Co. of Canada Ltd. was awarded "Joe Beare Memorial" at a meeting of Industrial Advertisers' Association of Ontario last week. Judges scored company's advertisement on nickel cast iron to be most effective of entries submitted.

Industrial Advertisers' newly-elected president is Edwin G. Taylor, Viceroy Manufacturing Co. Ltd., Toronto; vice-president, Kenneth J. Farthing, Canadian Westinghouse Co. Ltd., of Hamilton; treasurer, Edward J. Beatie, Anaconda American Brass Ltd. New Toronto; secretary, Gordon Baguley, Railway and Power Engineering Corp. Ltd., Toronto; Directors are Allan E. Ross, Goodyear Tire and Rubber Co. of Canada Ltd., New Toronto; George M. Smith, Industrial Advertising Agency Ltd., Toronto; and Elmond M. Glebe, A. P. Green Fire Brick Co. Ltd., Weston.

* * *

Harold F. Stanfield Ltd. will direct advertising for Utah Electronics (Canada) Ltd., makers of speakers and component parts as well as Magictape Recorder and Playback Unit. Direct mail and dealer literature is being prepared for company's Dominion-wide sales organization. Selected list of business and professional papers will be used, and consumer publications added as market conditions and manufacturing facilities warrant.

* * *

E. W. Reynolds & Co. is directing puzzle-type contest for Dr. Ballard's (Ontario) Animal Foods Ltd. Boys and girls under 18 living in Ontario, Quebec, and the Maritimes are invited to add up all the single figures 1 to 9 appearing in an illustration of a dog advertised in a number of metropolitan newspapers. Answer to be given on coupon provided, before May 15, accompanied by two labels from Dr. Ballard's products. Senders of first 20 correct answers win either a pure-bred Cocker Spaniel pup, or, if they prefer, three months' supply of Dr. Ballard's Champion dog foods.

* * *

The James Fisher Co. is using the exact scarlet of the flame of burning lithium as second color in full-page advertisements appearing in a list of trade and technical papers. Client is Acme Machines & Tools Ltd., a subsidiary of the Canadian Acme Screw & Gear Ltd. Recent lithium furnace advertisements, and those to come, show typical custom-built installations engineered, designed, built, installed, and put into supervised operation by Acme Machines.

* * *

O'Brien Advertising appointed to direct advertising in B. C. region for A. Ramsay & Son Paint Company. Preliminary program included street car card in Vancouver area. Dealer promotion has been started, with direct mail folder stating 10 reasons why it is profitable to stock Ramsay Paint. Follow-up plans include newspaper advertising.

* * *

Harold F. Stanfield Ltd. appointed to direct advertising for Mi-Co Meter, largest maker of parking meters in Canada. More than 40 Canadian cities have been supplied with these 100%-Canadian meters, manufactured in Longueuil, Que.

* * *

J. E. "Ted" Sanderson appointed to creative staff of James Fisher Co. Ltd. Recently was a creative account executive with Ronalds Advertising Agency and then with J. J. Gibbons Ltd.

* * *

W. Charles Harrison appointed to John A. Cairns & Co., Montreal, as account executive, specialist in apparel and textile advertising and merchandizing.

* * *

Canadian Street Car Advertising Company's prize for second year students of the Advertising Course at Toronto's Northern Vocational School awarded to Miss Winnifred Simpkins of the stenographic department of The James Fisher Co. Ltd. Last year she won the E. L. Ruddy award for first-year students.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

American Water Works Assoc., (Canadian Section) — R. H. Martindale (Sudbury, Ont.), chairman.

Agricultural Institute of Canada —Dr. R. D. Sinclair (Edmonton) president; J. C. Hackney (Vancouver), F. N. Miller (Olds, Alta.), L. C. Paul (Saskatoon), T. M. Stevenson (Ottawa), directors.

Atlas Steels Ltd. (Welland)— W. A. Wecker, a director.

Barbasol Co. (Canada) — T. L. Gosnell (Montreal) vice-president and a director.

Bank of Nova Scotia—W. K. Whiteford, a director.

Borden Co.—Newton P. Steacy, district manager, British Columbia; Clifford Wallis, B. C. district sales manager, dry milk division.

Canadian Daily Newspapers Association — H. L. Garner (Peterborough) president; A. F. Mercier (Quebec), Roy H. Thomson (Toronto), vice-presidents.

Canadian Fan Manufacturers' Association—C. W. Johnson (Windsor), president; A. H. Blake (Toronto) vice-president; L. O. Monroe, secretary-treasurer.

Canadian Breweries Ltd. — G. M. Black, vice-president and general manager, Brewing Corp. of America; M. J. Kelly, vice-president, administration; W. E. Mulholland, manager, Canadian Breweries Transport Ltd.; D. S. Forsyth, assistant manager.

John A. Cairns & Co.—W. Charles Harrison, account executive, Montreal.

Canadian Forest Products—Prof. Thos. G. Wright, chief forester.

The Canadian Press—Victor Sifton (Winnipeg) president; Herve Major (Montreal), Roy H. Thomson (Toronto) vice-presidents.

Dominion Textile Co. (Montreal) —Arthur C. Johnston, assistant general sales manager.

Dominion Bank—Wm. H. Sneath (New York) a director.

C. A. Dunham Co. — M. C. Bailey, manager, Toronto sales office; Ernie Fox, sales engineer, Toronto.

Empire Press Union (Canadian Section)—H. T. Hunter (Toronto) president executive committee; F. I. Ker (Hamilton), Hon. Jacob Nicol (Sherbrooke), E. Roy Sayles (Renfrew), Victor Sifton (Winnipeg), executive committee members.

Elliott-Haynes Ltd. — Ralph F. Bowden, manager, Montreal office.

Firestone Tire & Rubber Co. of Canada—J. B. Scarcliff, advertising manager.

Furniture Manufacturers Association — T. E. V. Fink, chairman.

Hydro-Electric Power Commission of Ontario—Frederic R. Brebner, treasurer.

Hudson's Bay Co. — Viscount Brooke, a director.

National Retail Lumbermen's Council — A. A. Johnson (Vancouver), president; H. W. Wallace (Sussex, N.B.), vice-president; H. M. Claridge (Sudbury, Ont.), S. Leggatt (Hamilton, Ont.), Brett Sine (Calgary), J. C. Poitvin (Montreal), directors.

Industrial Accident Prevention Association—L. H. Ingram (Peterborough), president.

Junior Investment Dealers' Association of Canada (Toronto Branch) — R. W. Wadds, president; M. F. Bruton, vice-president; W. D. MacPherson, treasurer; J. A. Rhind, secretary.

Prince Edward Island Liquor Commission — Bennet Haywood, chairman; Peter Holland, Munroe Bruce, members.

Prudential Trust Co. — D. F. Rogers (Calgary) general manager.

Royal Ontario Museum of Zoology —Dr. F. A. Urquhart, assistant director.

Reader's Digest Association (Canada)—Carl Dettman, manager.

Temiscouata Railway Co. — C. E. Dube (Riviere du Loup) a director.

Toronto Stock Exchange Staff Association—E. O. Jones, president; E. Rooke, vice-president; Frank Parrott, secretary; Ed. Davis, treasurer.

United Grain Growers Ltd.—J. E. Brownlee (Calgary), president; R. C. Brown (Winnipeg), J. Harvey Lane (Fillmore, Sask), vice-presidents.

Walsh Advertising Co.—Leo Cox (Montreal), a director and vice-president.

'Bought' From One Another Four Admit Income Tax Fraud

Before the courts in Toronto this week was an indirect but pointed reminder that this is income tax time: a $150,000 tax evasion case—all because of an anonymous telephone call to the Income Tax department.

Acting quickly on the tip, intelligence men seized the books of a Toronto firm. This week, six months later, what the taxmen found was revealed before Magistrate Gullen in Toronto Police Court.

The presidents of four firms pleaded guilty to evasion of personal income and excess profit tax. During the war they had inflated their costs, thus lowered their profits, by issuing cheques to one another for goods which were never delivered, then getting the cash back.

At midweek, two of the accused had been sentenced: H. H. Gardiner of Masco Co., electrical jobbers, was fined $897 and costs or one month on each of four charges;

D. A. Marshall of Etched Name Plates Ltd., was fined $700 and costs or one month on each of four charges.

Fines Exceed Tax

In both cases, the fines amounted to more than the tax evaded; in Gardiner's case, $885.22; in Marshall's $697.46. Up to now the average fine has been from 20%-50% of the evasion although the maximum penalty is double and three years in jail.

A. E. Coulter, of Coulter Mfg. Co. of Oshawa, Ont., and Toronto, maker of automobile parts, was remanded a week for sentence on 12 charges involving evasion of $40,265.24 in personal income and Excess profits tax.

The biggest case—involving $112,462.29—against William Goldie Scoon, of Dominion Electric Mfg., makers of steel switch boxes for the electrical trade, was continuing at mid-week. However, like the others, Scoon pleaded guilty. He has already paid $100,000 in back taxes; Coulter, $32,000, and Gardiner and Marshall the full amount of their evasion.

In the cases of Gardiner and Marshall, evidence of Intelligence Officer Charles Mason was that their evasions only involved dealings with Scoon and Dominion Electric. Coulter's case was said to involve dealings with all three of the others, and also with a firm which knew nothing of what was going on.

Fictitious Vendor

In the case of Scoon, Mason testified he found fictitious invoices from Coulter and the others, and from at least one nonexistent person.

"Did you speak to Scoon about it?" asked Crown Counsel Gerard Beaudoin.

"Yes," replied the Intelligence Officer. "He said they were all false; he hadn't purchased the goods at all."

"Did you ask him where he got the voucher for this nonexistent person, I. Hascha?"

"He said he typed them out himself; also some Coulter invoices, and for another firm who knew nothing about what was going on."

This case makes the 95th big prosecution undertaken by the Income Tax department since the drive against tax dodgers began.

R. W. WADDS

of McLeod, Young, Weir & Company Limited, who was recently elected President for 1948 of The Junior Investment Dealers' Association of Canada, Toronto Branch.

St. Lawrence Plan Delayed?

(Continued from page 1)

made at the annual meetings next week.

Meanwhile the Protective Committee of class A Preferred Stockholders of St. Lawrence Corp., headed by Joseph Mayr of New York, has sent a letter to all preferred shareholders asking for proxies to vote at the annual meeting.

The letter states:

(1). The plan of reorganization which was disapproved by Mr. Justice Boyer as unfair to preferred shareholders was proposed by the present management.

(2) Proxies must be deposited at Montreal not later than April 26, 1948.

(3) The committee has had no satisfactory reply to a letter of March 23, suggesting that a meeting be arranged with it for consideration of appropriate changes in the Corporation plan.

(4) Messrs. Hyde & Ahern, counsel in Canada for the Committee, on April 12, on instructions from a preferred shareholder of the Paper Mills Co., requested that the Paper Mills plan be effectuated, stating that in case of the company's refusal or continued neglect to act, legal preceedings would be commenced.

Although the committee will strive fully to protect the rights of the preferred shareholders, it will not vote the preferred shares in favor of any reorganization plan until such plan is submitted to preferred shareholders and approved by them.

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Simpson's TORONTO
THE STORE FOR MEN
Second Floor

Ottawa Plans Mobilization Of Industry

(Continued from page 1)

board as acting executive secretary. He will be Col. W. G. Denney. Also members are the three principal supply officers of the armed services. These are presently General Roger, Commodore Knowlton and Air Vice-Marshal James.

What Board Will Do

Five stated purposes of the new Board are as follows:

1. To advise on all matters relating to the industrial war potential of Canada.
2. To prepare and keep up-to-date, plans for industrial production in time of war.
3. To arrange for liaison between the armed forces, Canadian Arsenals, Ltd., the Canadian Ordnance Association and other agencies and industries as will ensure an understanding of defence needs and co-operation.
4. To encourage standardization of specifications and industrial practices.
5. To advise on the location of industries and on the development, procurement, inspection, storage and distribution of material and equipment and maintenance of reserve stocks.

One of the Board's functions will be to study the capacity of private industry, to supply the needs of the armed forces, and to make recommendations on "materials, industries or plants which are regarded as essential, and for which some special provision should possibly be made."

It will also recommend what departments or agencies of government should be established in anticipation of an emergency, to direct the potential industrial capacity of the country.

Formation of such a board was forecast in the government White Paper on Defence last year. It was discussed more recently in The Financial Post (Feb. 28, 1948).

Other "Arms" of Preparedness

With the Canadian Ordnance Association now actively under way with headquarters at Montreal, Canada now has, for the first time in its history, competent and responsible bodies specifically concerned with questions of industrial preparedness.

At the outbreak of the last Great War, the lack of any such organization meant very great delay, wastage and failure to utilize until a considerably advanced stage, the war potential of Canada.

The third "arm" in Canadian industrial preparedness is Canadian Arsenals, Ltd., now in charge of Major-General MacQueen. This is the Crown company set up after the war to maintain tools, plant and personnel

PRICES

(Continued from page 1)

of its members were exhibiting publicly a "couldn't-care-less" attitude about the whole thing.

One called the committee "a laugh," another "an exhibition of futility." Observed a third: "we've been sitting since Feb. 10 and we haven't reduced a price, haven't been influential in bringing about any price reductions, or managed to uncover any profiteers. We might just as well wind it up."

Health Minister and chairman Paul Martin was continually finding himself hard put to find a quorum of seven from among the 16 members, the once-crowded gallery was more often than not empty; even the militant Housewives' Consumers Association, lobbying in Ottawa for price control, didn't bother to seek a hearing by the Committee.

And it's all costing the taxpayer several hundreds of dollars a day in fees to counsel, accountants, traveling expenses, telegrams, long-distance phone calls and for printing daily reports.

Grocers across the country meanwhile, told Canadian Grocer (Maclean-Hunter) some of their thoughts on prices—and this poll revealed that mostly the nation's grocers thought they weren't getting enough out of such staples as butter, sugar, coffee, cereals, particularly butter and sugar, which gave average markups of 4.5% and 9% respectively.

The same poll—of a selected list of representative independents—showed most grocers satisfied with markups on canned vegetables, lard, eggs, bread and tea, fresh and canned meats and bacon.

The WPTB was reportedly considering reimposition of meat ceilings again, first promised in January, dropped in March.

In fruits and vegetables:

Texas cabbage took another increase—the fourth in as many weeks. Midweek price on the Toronto wholesale market was \$3.65-\$3.75 per 50-lb. bag as compared with \$3.40-\$3.60. Imports were being sought from California at prices which would bring the trade a better return under the 9c a lb ceiling than the current Texas offerings which at present prices give a scant 1½c margin, for wholesaler and retailer combined.

Green Onions were up for the second time this month, at midweek were fetching 60c-75c a dozen as compared with 50c-60c last week and 40c-60c the beginning of the month.

Cucumbers, 24's were down again, from \$6-\$6.50 last week to \$5.75-\$6.25 at midweek.

Florida Oranges were further shaded down from \$4.15-\$4.50 a case last week to \$3.80-\$4.50 at midweek.

Mexican Oranges too were down in the smaller grades. Midweek price range was \$4.50-\$7.55 as compared with \$5.50-\$7.55 last week.

Dental Costs: The Government has filed an appeal against the acquittal of 18 dental firms charged in Toronto last month under the Combines Act.

What Changes Due In Budget?

(Continued from page 1)

ing the infationary picture. Its removal might stimulate travel and help the railways off-set some of their rising costs by increased volume.

Cyclical Budgetting Support

In total, these and similar items might add up to around a tidy sum — something which would look quite attractive in the morning-after-budget-day headlines.

But they would really be little more than window-dressing: something to cover up the fact that the Government wants to continue taking away substantially more than it spends, so long as present inflationary trends continue. As well it must not be forgotten that there is still very considerable support at Ottawa for the idea of cyclical budgetting. That means that very strong arguments will be heard for the wisdom and necessity of continuing to reduce debt at a time of very high purchasing power such as the present.

That's the present philosophy around Ottawa. It is of course subject to change without notice; but not very likely.

Ford Offers New Mercury

Not a new model, but an entirely new car, is the way Ford of Canada describes the 1949 Mercury, which will go on display before the end of the month.. This is the sport sedan, one of two models available, the other being a six-passenger coupe. The new Mercury is five feet three inches wide. Rear seats are five feet wide.

Were the Reds Behind March?

(Continued from page 1)

unknown. At her right hand is Mrs. Effie Jones, veteran B. C. Communist who almost got elected mayor of Vancouver last fall, and is a former president of the group.

Secretary is Mrs. Marion Parkin, wife of Al. Parkin, educational director of the Communist-led CIO Woodworkers, and a top ranking LLP-er. Delegates to the Ottawa affair were Mrs. Parkin Mrs. Doris Hartley, past president, Mrs. Helen White, of the Woodworkers Women's Auxiliary and some pro-Communist labor men. Anti-Communists Birt Showler, dean of B. C. AFL, and Ald. R. K. Gervin, another top-ranking AFL man, backed out of the trip at the last minute.

Alberta: Edmonton President, Mrs. Anne Swankey, wife of Ben Swankey, LLP Provincial leader, also publicity secretary of United Housewives of Alberta. Delegates to the Ottawa demonstration; Mrs. J. Geddes, president United Housewives, and reputedly a Social Crediter; Mrs. Grace Utendale, Edmonton Housewife, sponsored by Red-led Edmonton Housewives' League.

In Calgary, the CCF appeared to have control. The only pro-Communist is Kay Edwards, press secretary, wife of Lionel Edwards unsuccessful LPP candidate. Mrs. Terry Levis, wife of Calgary LPP leader, resigned as president two months ago. Organization was exposed as Communist-dominated year ago.

Saskatchewan: In Saskatoon, CCF appears to have control, although several well-known Communists are members. However, Saskatoon Consumers' Council, with which Housewives affiliated, shows definite signs of Red influence in leadership.

Regina group has 100 members, also CCF-controlled. President, Mrs. Mabel B. Henway, CCFer; vice-president, Mrs. G. M. Thompson, wife Regina organizer CCL. Only one executive member suspected of LPP sympathies.

Manitoba: President Mrs. Anne Ross and Executive member Mrs. Margaret Chunn, have both been named LPP-ers by Winnipeg newspapers. Secretary is Mrs. W. C. Gilbey, wife of Provincial LPP official. Mrs. Chunn made the trek to Ottawa on the first price demonstration. Another executive member Mrs. W. A. Kardash, wife of the LPP member of the Manitoba legislature.

Present membership about 800, includes women of all political hues but the Communists, through aggressive leadership, have control.

Flushed with what they consider the propaganda success of this latest Ottawa demonstration, the pro-Red sponsors got together and renamed their organization the Housewives and Consumers' Federation of Canada. Headquarters will be in Toronto.

Mrs. Luckock was named president. Others elected: Marcel Gagnon, Montreal, 1st vice-president; Mrs. Ethel Leigh, Montreal, 2nd vice-president; Mrs. Louise Watson, Toronto, executive secretary; Mrs. Dora Brough, Toronto, treasurer.

Executive members: Mrs. Margery Ferguson, Mrs. D. Drysdale, Mrs. L. Eight, Mrs. Alice Binsley and Mrs. C. Gerdner, all of Toronto; Mrs. G. Richardson, Verdun, Que.; Mrs. Rose Petch, Montreal; Mrs. Patricia Wilkinson, Ottawa; Mrs. Dorothy Nolan, Windsor; Mrs. B. Craddock, Hamilton; Mrs. Ethel Thompson, Oshawa.

Dollar Picture Brighter Today

(Continued from page 1)

U. K. obligation under this loan down to the \$350 millions mark. There is also a special repayment by the United States of \$30 millions on capital account, made in December.

On the trade side, new February figures published last week are not thought to show a complete picture. Imports for January and February totaled \$289 millions — the largest total for these two months in our history (\$274 millions in the same months a year ago).

But these high imports reflect an expected and unavoidable backwash of orders, commitments and eleventh-hour importations following imposition of controls under Schedules I and II and pending imposition of controls in Schedule III.

Pegged at February Level?

If preliminary estimates are correct for March, there is likely to be a pegging of imports at or around the February figure. This would be highly significant because it was in March, 1947, and in subsequent months of that year, that our U. S. import purchases really started to soar.

From a level of about \$137 millions monthly in January and February, 1947, imports from United States shot to \$165 millions in March, and to \$182 millions in April. For the balance of 1947 they averaged over \$170 millions monthly until the break came in November.

Another favorable factor is the high level of Canadian exports to the United States. This is due in part to higher prices; in part to greater availability of goods for export from Canada, and in some measure to steps taken at Geneva and since Nov. 17, to stimulate the flow of exports to the U. S. market. When first-quarter figures are available, it is likely that our exports to United States will be a third higher than in the same period last year.

This seems to suggest that too much stock should not be taken in early month returns since the imposition of dollar controls. If the March returns confirm the stabilization of trade, and if this continues during the second quarter of 1948, some considerable progress may be recounted by that time.

Look For It Here

April 24, 1948

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"Industry, Intelligence, Integrity"—these are the words which are imprinted on the city's crest. To the citizens of Toronto who have lived up to such ideals, Consumers' Gas says "Thank You" for your part in its century of progress.

Unique Facts about Toronto

THE CITY HALL — seat of municipal government, was opened in 1899 and is constructed entirely of Canadian brownstone and granite. Its familiar clock has a face twenty feet in diameter. The tower is 300 feet high. Total floor space is nearly 5¼ acres. The earlier days of the city are commemorated with several paintings hung along the corridors of the municipal chamber floor.

1848 1948

Consumers' Gas celebrates its Centenary by saluting the city it has served for 100 years.

The **Consumers' Gas**

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26 January 1948.

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MECHANICAL ENGINEER, 40 to 45 years of age, with practical experience in plant management for long-established foundry and machine shop outside Montreal. Preferably bilingual with sales connections. Excellent opportunity for right man. Good living accommodation close to plant. Apply in writing giving qualifications and references, stating remuneration expected. Box No. 226, The Financial Post, Toronto 2.

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VISITING THE TRADE FAIR 1-10 June would like commissions for Denmark. N. Buus, Norregade 22, Copenhagen K., Denmark.

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$25,000.00 ADDITIONAL CAPITAL needed for new industry in Kitchener. Excellent opportunity for investment. Required by June 1st. Write Box No. 197, The Financial Post, Toronto 2.

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A-26

INVESTMENTS THIS WEEK

Winnipeg Electric Active Investors Assess Prospects

A good volume of trading in the $24½-$25¾ price range, but inability to date to penetrate its 1948 high of $25¾ has featured Winnipeg Electric common since release of Dr. T. H. Hogg's report recommending public ownership of Manitoba's hydro-electric industry.

While the report generally seemed favorable, investors have been trying to assess what its effect might be on the timing of a purchase by the Manitoba Government of the company's physical assets, and its effect pricewise.

Manitoba's Premier S. S. Garson has stated that if an amicable agreement can be reached by open negotiation between representatives of the city of Winnipeg, the Winnipeg Electric Co. and the Government, enabling legislation will be passed at a special session. A conference will be called as quickly as possible, and every possible effort will be made toward getting the desired results "through negotiation and voluntary action on the part of the three parties," Hon. J. S. McDiarmid, Minister of Mines and Natural Resources, has stated.

Any purchase will be based on physical evaluation and not on the value of the outstanding stock, Premier Garson told the legislature.

The potential installed generating capacity of the company's two sites will be 393,000 hp. Dr. Hogg assumes a capital cost per installed hp on the Winnipeg River of $100 in his report, which would indicate $39.3 millions for these facilities. (Extension of the Seven Sisters Falls plant is under way and additional units are on order.) The company in addition has three transmission lines to Winnipeg terminal substations to receive high voltage power, distribution system, its transit system, which is being modernized to bus and trolley bus, its gas distribution system and a modern 12-story office building.

In May, 1946, the company offered to sell its assets to the city of Winnipeg for $56 million. Since then, replacement costs have moved higher. At the same time an unofficial offer of $47 millions from Winnipeg's Street Railway Committee was reported turned down.

The company's capitalization at Dec. 31, 1947, consisted of $27.6 millions bonds, $5 millions preferred stock and 564,989 shares of no par value, common. The current market price of $25 a common share would place a valuation on the property of around $47 million, taking the bonds and preferred stock at their par values.

The common had a book equity of $28.37 at Dec. 31, 1947, after allowing the preferred its redemption price of $105. If the company is liquidated, the preferred is only entitled to $100 a share.

If the negotiations do not produce a voluntary agreement, a special session of the legislature will be called to enact a draft bill implementing Dr. Hogg's main recommendations, Mr. McDiarmid has stated.

The price action of the stock reflects the unsettlement present in this situation. Action in the near future will reflect changes in investor sentiment regarding the province's attitude and the progress of negotiations.

* * *

Say Claude Neon Plan Awaits Tax Settlement

Shareholders of Claude Neon General Advertising, Ltd., will have to wait some time yet for a reorganization plan.

President W. T. Sutton states in the 1947 annual report: "Your directors again regret that their expectations regarding a plan of reorganization did not materialize, as all the company's income tax problems have not yet been officially settled; as soon as they are, a plan will be submitted."

Capitalization consists of 23,605 shares of 7% cumulative preferred, par $100, and 424,522 no-par-value common shares. Preferred dividends were in arrears $110.25 at Dec. 31, 1947. The preferred is quoted $47 a share bid and $48½ asked; the common 35c share bid.

* * *

Annual Reports

A new way of presenting its annual report to shareholders is being tried this year in the United States by Union Oil Co. of California. It is presenting a televised 23-minute report of its activities for 1947; the first time any corporation has used television in such a way, it is stated.

The report, converted into a 16 mm. documentary script movie shows the stockholders where their dollars went; pipelines and other equipment of the company, and show how much money went for taxes and how much for wages. A company official reports it has had a good reception.

* * *

Provincial Transport Co. includes a map of its routes in its 1947 annual report. This is informative and may result in some business.

* * *

Foundation Co. of Canada annual report is attractively illustrated with pictures of its various jobs. In addition to giving shareholders some idea of its activities, this should have potential sales value.

* * *

St. Lawrence Corp. annual report includes also the annual reports of its subsidiaries and a diagram showing the relationship and percentage ownership of the subsidiaries. This is helpful to shareholders.

* * *

Monarch Knitting Co. 1947 annual report is more comprehensive in its review of the company's activities and position and considerably brighter in appearance through use of color, pictures and charts than previous reports.

* * *

Waterous Ltd. 1947 annual report is interestingly illustrated with pictures of the plant and products.

* * *

Lower St. Lawrence Power Co. 1947 annual report celebrates "a quarter century of progress." Pictures, explanatory graphs, and comparative figures are used to illustrate its progress. Revenues are 87% from sale of energy, 11.6% net profit from stores and 1.4% other revenue and is distributed 22.6% to salaries, 13.5% operating expenses, 3.6% maintenance, 4.5% municipal and other taxes, 2% pension fund, 14.6% depreciation, 17.6% bond interest and financing costs, 9.4% income tax and 12.2% net profit.

* * *

Vancouver Machinery Depot Ltd. has no remarks of directors or officers in its annual report. Some comment would be helpful to shareholders.

* * *

Burns & Co. annual report shows that every $100 of income in 1947 was distributed $80.80 to producers for livestock, poultry, etc., $10.09 wages to employees, $3.87 power, transportation and advertising, $2.69 supplies for packaging finished products, 73c taxes, 65c depreciation, 34c interest, 33c wartime inventory reserve, leaving only 50c profit. Only 153 of 3,296 shareholders have more than 100 shares, while 1,835 hold 10 shares or fewer. The report is attractive, and remarks cover most phases of the company's operations.

* * *

Expect Reorganization For Crescent Creamery

A capital reorganization plan for Crescent Creamery Co., rumored for some time will not be presented to shareholders for approval until after the budget address, The Financial Post understands. It has been thought advisable to see what effect, if any, the budget will have on the plan as presently drawn up with respect to certain taxation features. Arrears on Crescent Creamery preferred now amount to $75 a share. As at March 31, 1947 the parent company, Dominion Dairies, owned 3,620 preferred shares of Crescent.

* * *

How Strikes Can Hit Profits Shown By Steel Co. of Canada

A good example of the extent to which a strike can affect a company's earnings is seen from this year's annual report of the Steel Co. of Canada. Its profit from operations of $5,720,893 for 1947 was over 2½ times the comparable figure of $2,236,706 for 1946 when the company was subjected to expenses and loss of revenue from strikes at several of its plants. This is even more striking when it is realized that this profit is after depreciation of $3,573,528 in 1947 ($1,860,624 in 1946) and after income and excess profits taxes of $4,881,214 ($1,425,011).

Profits per ton of ingots rolled, although above the low of 1946, was approximately only 50% of the average for the three years immediately preceding the war, President H. G. Hilton points out. This stresses the important part volume plays in profits.

Net profit was equivalent to $7.73 on the combined preference and ordinary shares ($3.40). Stelco common is quoted about $72 a share or about 9.3 times last year's earnings and yields about 4.17% on the basi of its $3 annual dividend rate.

WANTED

3 Tons Surplus Army Trucks Ford or Chevrolet 4 x 4-158" wheelbase. Please send complete information and price to

BOX 223

The Financial Post, Toronto

WILLIAM H. SNEATH,

New York industrialist, a senior executive of Union Carbide & Carbon Corp., has been elected a director of Dominion Bank.

Plan Change For Mica Co.

Shareholders of Mica Co. of Canada will be asked to ratify two proposals that will result in major change in company's financial structure at the April 29 annual meeting in Hull, Que. The proposals are coming from the parent company, Mindus Corp. and the controlling principals of Mindus, Harrison Securities Corp., Toronto. They directly affect the future control of Mica's three subsidiaries, Bickle-Seagrave, Woodstock, Canadian Anodized Products and Universal Insulations, Aurora.

The offer is to release Mica Co. from claims totalling $107,688 and to assume Mica's guarantee of notes of Universal Insulations and Canadian Anodized Products totaling $31,650 in return for transfer and assignment to Mindus of Mica's holdings in its three subsidiary companies, the total value of which is carried on the Mica Co.'s books as of Dec. 31, 1947, as $183,052.

It is further proposed that the Mica Co. exchange $100,000 of Bickle-Seagrave 5½% first mortgage sinking fund bonds. This proposal extends to an agreement whereby the Mica Co. would give and grant to Harrison Securities a sole and exclusive option to take up and pay for all or any part of $100,000 in principal amount of Bickle-Seagrave bonds and 20,000 Bickle-Seagrave shares in units to provide the Mica Co. treasury with substantial liquid assets to retire bank loans.

Mica Co. directors found, on their appointment in 1947, that the company was in an untenable position through losses of certain of the subsidiary companies and failure of the company itself to improve its working capital. Operating statement of the company, on the other hand, shows net profits after all charges of $24,817 for 1947 as compared with $22,389 for 1946. As a first step toward correcting the situation, directors sold the company's interest in Mica Co. of Canada (N.Y.) Inc. for $50,000, assigning the funds to a reduction of outstanding loans.

The plan would place Mica Co. in a position to embark on a capital expansion program to take full advantage of expanding business in new products' sales and preparation for the Hydro 25-60 cycle conversion, President T. R. Harrison claims. It would enable Mica Co. to repay the balance of outstanding loans and satisfy in full the claims of Mindus Corp. against the company, it is said.

BRITISH COLUMBIA TELEPHONE CO. reports 204,626 telephones in operation March 1, 1948 (201,102 at Jan. 1). Connecting companies in British Columbia had 14,744 telephones at March 1, 1948 (14,227 at Jan. 1).

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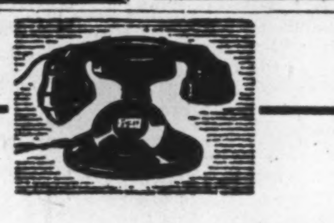

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4½% Cumulative Preferred Shares
($50 par value)

Price: $47.50 per share and accrued dividend

NESBITT, THOMSON & COMPANY, LIMITED

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38

New Pulp Mill Planned for BC Can. W. Lumber

Proposals for a pulp and newsprint mill in British Columbia are being finalized, H. J. Mackin, president of Canadian Western Lumber Co., told shareholders at the annual meeting last week. It would be situated at Duncan Bay, B.C.

Such operation would for many years use wood which, until recently, has been left after logging, Mr. Mackin added. This wood, for pulp purposes, is equal in quality to that produced from logs now being generally used by the pulp industry. Greater economical utilization of our forests is thus attained and this is important not only to the company but to the public as well, he pointed out.

"In due course, when all plans in respect to this project are completed, I am sure that the shareholders, the provincial Government and the public will approve and endorse the action of your directors in this new development," he stated.

Referring to his comment in the annual report as to the uncertainity existing in respect to the means of financing purchases by foreign countries, Mr. Mackin stated: "Only now has this uncertainty been lessened by the European Recovery Plan, which has the effect of providing hard money, i.e. U. S. dollars. In Canada and elsewhere, a small but loquacious number, whose political affiliations are well known, have been and are now opposing the Marshall Plan. They would, if they were successful in their efforts, do a disservice to all workers in this as well as other industries which are largely dependent on foreign trade for their ability to give employment. It is even suggested by friends of the Soviet system that we should trade with the U.S.S.R. and the so-called new democracies within its sphere of influence. These people likely do not know that the U.S.S.R. and Baltic satellite nations have large stands of timber, much more than they require for home consumption, and are normally our principal competitors for world lumber and plywood trade."

Canadian Western Lumber is constantly improving its methods of production in all departments, Mr. Mackin stated. In the last two years it has completely modernized the dry kiln department, the remanufacturing department, sorting table, transportation, storage sheds, etc., and soon will have completed a program of complete electrification of the entire manufacturing operations at Fraser Mills, he added. To effect better recovery from small logs, a Swede type whole log gang saw mill has been installed and is in operation at Fraser Mills.

The company is owned by nearly 5,000 shareholders, the president added. Employees in mills, factories, logging, transportation and retail departments number 3,200.

In reply to a question, he stated that the company has made excellent progress in 1948 to date.

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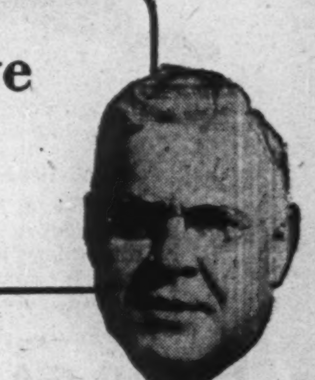

"Our boiler plant looked all right to me"

SURE, your boiler plant may look fine . . . on the outside. And all the time it can be robbing you from the inside. *There's* where your money may be going up in smoke or other invisible losses of even greater magnitude. There is no refund on partially burned coal. It pays off in the furnace not in the ash cans.

In boilers fired by Iron Fireman automatic *Coal-Flow* stokers, this payoff is big. Iron Fireman's Air-Volumeter provides the precision combustion control needed for peak performance. It maintains the correct ratio of air to fuel, regardless of fluctuating fuel-bed resistance.

Iron Fireman engineers have identified 17 "Bogey Men" who haunt most boiler-rooms, wasting fuel and labor, and cutting down profits. They're hard at work where furnaces are fired by hand or with old-fashioned equipment. Are you sure they're not busy in YOUR steam plant?

Send for Iron Fireman's folder "17 Bogey Men" and check it against your own boiler room. Write to Iron Fireman Manufacturing Company of Canada, Limited, Department 50, 80 Ward St., Toronto, Ontario. Other plants in Portland, Oregon and Cleveland, Ohio. Dealers everywhere.

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Pointe au Baril Consolidated School Board

Parry Sound District
Province of Ontario.

Tenders for Debentures

Scaled Tenders marked "Tenders For Debentures" addressed to Secretary-Treasurer of the Board of Trustees of the Pointe au Baril Consolidated School Board S.S. No. 1 & 2,—Township of Harrison at Pointe au Baril, Ontario, will be received at office of Secretary-Treasurer at Pointe au Baril, Ontario, up to 12 o'clock noon, on Tuesday, the 11th day of May, 1948, for the purchase of Debentures of said School Sections, 1 & 2—Township of Harrison in Parry Sound District in the aggregate principal amount of $30,000.

The said Debentures will bear interest at the rate of 4% per annum and will be retired over a period of 20 years. The annual Debenture payment which includes principal and interest will be $2,207.45, payable at Bank of Nova Scotia, Parry Sound, Ontario, in Canadian funds. The said Debentures will be issued in denominations of $500,00 each or multiple thereof.

The proposed issue is for capital expenditures to erect a new two-roomed school under the jurisdiction of the Board.

The Board reserves the right to reject any or all bids—the highest or any bid not necessarily accepted.

Dated at Pointe au Baril this 10th day of April, 1948.

The Board of Trustees of Pointe au Baril Consolidated School, S.S. No. 1 & 2—Harrison Township, Pointe au Baril, Ontario.

J. McAULIFFE,
Secretary-Treasurer.

MANAGED INVESTMENT

Buying Program Planned For the MacNab Account

NacNab's investment manager plans a buying program. He believes that the average investor may now look forward with greater confidence to the purchase of sound, dividend-paying industrial stocks, many of which are selling at ridiculously low valuations with respect to earnings. These include the pulp and paper stocks, base metals and to a lesser extent, the oils, he says.

MacNab's Manager Says:

A substantial improvement in the stock market averages has occurred since my last report to you on March 15. During this period, the Toronto industrial averages have risen from 153.07 to 169.71, a gain of 11%. Averages for the golds during this period, however, declined from 94.97 to 91.20 a loss of 3%. Your gold stocks, with the exception of Hollinger, were sold during February and March, at a profit.

In my last report I advised a relatively liquid position until the Italian elections took place on April 18. Recent advices indicate that the tension has somewhat eased with the Communist defeat at the polls in Italy. Passage of the Marshall Plan (ERP) in the U. S. Congress has further strengthened confidence in the stock market. Appropriation of some $2 billions for building a modern U. S. Air Force this week would indicate the firm intention of the United States Government to meet Russian threats with force if necessary. I plan to start on a buying program after April 18.

In the past month, the value of your investments at market (April 15) has increased from $14,832,16 to $15,358.31, a gain of $526.15 or 3½%. Keeping in mind that 28% of your account is invested in common stocks, this is in direct proportion to the rise in the industrial averages during the month.

Your estimated annual income now stands at $572, or 5.72% on the original $10,000 invested Dec. 15, 1944. A capital gain of $5,412,31 or 54.1% is shown as at April 15, 1948.

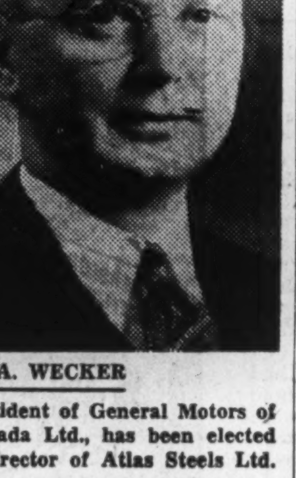
Recent purchases for your account have shown a satisfactory appreciation in market value, e.g., Industrial Acceptance A from $31 to $35¼; McColl Frontenac from $10½ to $13⅛; and Canadian Pacific Railway from $14⅛ (average cost) to $15⅛. A further gain in these stocks should take place in a rising market.

From March 15 to April 15 you received $79 in dividends and the usual monthly withdrawal of $25 for living expenses was made — the difference, $54, being credited to cash balance.

The MacNab Account Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks	$	$
10	Can. Westinghouse	55	41½
50	Hollinger	11	9¼
20	Ind. Acceptance, A	31	35¼
15	Inter. Paper	49⅝	58⅛
50	C.P.R.	14⅛	15⅛
15	Int. Nickel	33¼	34½
50	McColl-Frontenac	10½	13⅛
	Preferred Stocks		
30	Abitibi $1.50 pfd.	21⅜	20
10	Steel of Can.	86	76½
10	Goodyear Tire, 4%	56¼	50
25	E. B. Eddy, A $1	22	17
10	B. C. Electric	99½	92
	Bonds		
$2,000	B. C. Tele. 4%/62	100.00	101.00
2,000	Can. Sav. 2¾%/56	100.00	100.00
1,000	Can. Sav. 2¾%/57	100.00	100.00
Cash			$2,792.00
Prospective annual income			$572.00
Current market value of fund			$15,412.31
Average yield on original $10,000 is			5.72%

*Valuation at close Apr. 15, 1948.



W. A. WECKER

president of General Motors of Canada Ltd., has been elected a director of Atlas Steels Ltd.

Bakers' Food Supplies Control Changes Hands

All the shares of the capital stock of Bakers' Food Supplies Ltd., Toronto, have been acquired by Max Wolfe and Maurice Wolfe of the Ontario Produce Co., Toronto, General Manager Ray Wolfe states. Bakers' Food Supplies Ltd. will now be operated in conjunction with the Ontario Produce Co., he adds.

COMPANY REPORTS

WATEROUS LTD., Brantford, Ont., 1947 net profit was double that of the previous year at $248,152 ($119,672 in 1946). This was after taxes, depreciation, bond interest and employee participation in profits of $111,807. (The Financial Post April 10, 1948).

Total proceeds from production and sales of purchased goods was $4,305,643 ($3,248,878). Of this, sales of manufactured products at the Brantford works were $2,623,495 ($2,316,899) while sales, including repairs and services, in Alberta totalled $1,682,148 ($931,947). The year 1947 was the largest volume and profit year in the history of Waterous Western Branch, President and General Manager Alex B. Vasey reports. Major volume was derived from sales of factored lines rather than manufacturing, ratio of sales from manufacturing being approximately 18 to 1.

Additions to fixed assets in 1947 included necessary equipment for installation at the Brantford works and completion of the new showroom and offices in Edmonton. Last fall construction was begun of premises in Calgary, to house operations now being conducted out of rented premises. New construction in Calgary, expected to reach completion during 1948, will provide a road machinery repair shop, repairs parts storage and office facilities and a one-story building approximately 58 ft. by 130 ft.

Substantial firm orders are on hand at Brantford and others are in process of closing, Mr. Vasey states: "We may therefore expect the Brantford works to continue at about the same volume of production as in 1947, assuming unchanged conditions. At Edmonton and Calgary, customer demand for goods and services remains satisfactory and is expected to continue, although restrictions on imports from the United States may depress sales somewhat.

"It is our intention to continue to publish quarterly figures for the information of shareholders throughout the coming year," Mr. Vasey adds.

GATINEAU POWER CO. 1947 net profit was up 18.2%. Gross revenue totalled $12,306,253 as compared with $11,149,122. The increase in revenue resulted from particularly favorable water conditions during most of the year, and sustained demand for electricity from industry and the growing needs of old and new commercial and residential consumers. Increased expenses resulted from higher costs of operation, Dominion and provincial income taxes.

Total output, including small accounts of purchased power, amounted to 3,310,275,380 kw.h. (3,016,819,220). The consolidated peak load of 725,657 hp in August, 1947, compares with 680,885 hp recorded in 1946. During the year 150 miles of new lines were added to the rural distribution system and the capacity of many of the transformer substations was increased substantially. Orders have been placed for a 27,000-hp generating unit for the Bryson hydro-electric plant and it is expected that this unit will be in service late in 1949. During the past two years expenditures made on new construction amounted to $2.2 millions. Installation of generating equipment, extensions to transformer stations and distribution system to be made during the year 1949 are estimated to cost about $3.8 millions. Funding of these expenditures is now under consideration.

The company is continuing the policy of extending its distribution system to additional rural communities and increasing capacity of its plants and equipment to meet demands for electricity in territory served by the company, President G. Gordon Gale states.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Gross revenue	$12,306,253	$11,149,122
Less: Oper., admin. & gen. exps.	2,788,580	2,204,257
Net earnings	9,517,673	8,944,865
Less: Deprec.	1,200,000	1,200,000
Fixed charges:		
Bond. int.	1,681,109	2,090,242
Debent. int.	432,687	376,642
Loss on exch.	7,787	132,081
Disc. & exps.	106,332	116,075
Income tax	2,578,211	2,059,878
Net profit	3,512,547	2,969,947
Less: Pref. divs.	802,300	802,300
Common divs.	2,078,100	1,662,480
Surplus for year	632,147	505,167
Times Fixed Charges Earned:		
Before deprec.	4.27	3.29
After deprec.	3.74	2.85
Earnings per Share and Dividend Record:		
Preferred	$22.28	$18.92
Paid: 5% pf.	5.00	5.00
5½% pf.	5.50	5.50
Common	1.63	1.30
Paid	1.15+0.10	0.90+0.10

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$1,814,356	$2,948,583
Accts. rec.	874,264	889,009
Inventories	774,757	416,630
Total curr. assets	3,463,377	4,254,222
Bd. disc. & exp.	6,888,178	7,488,702
Misc. assets▲	748,338	538,188
Fixed assets	137,033,140	135,789,855
Total assets	148,133,033	148,070,967
Accts. & tax. pay.	2,112,928	2,059,052
Other curr. liab.	997,889	900,190
Total curr. liab.	3,110,817	2,959,242
Funded debt	69,520,834	70,928,889
Deprec. res.	28,294,110	27,120,413
Other res.	17,609	13,825
Capital stock	41,122,897	41,122,897
Surplus▲	6,066,766	5,915,701
▲Incl. ref. EPT	167,082	163,463
Working capital	352,560	1,294,980

CALGARY POWER LTD. net profit for the period from June 17 to Dec. 31, 1947, was $443,380 against $670,196 for 1946. Gross revenue from operations for the period was $2,347,623.

The company acquired, as at June 16, 1947, all the assets and business, and assumed all liabilities of Calgary Power Co. Ltd. Expenditures of the company and its predecessor on capital account for additions and improvements to property during the year, were $2,340,061. The 16,000 h.p. hydro-electric station at the Barrier site on the Kananaskis River was completed and placed in operation in Aug., 1947.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	•1947	▪1946
Total net earnings	$1,429,457	$2,448,028
Less: Deprec.	456,084	671,757
Interest & exch.	214,245	516,860
Income taxes	315,748	565,793
Bond disc. amort.	......	41,4[illegible]
Add: Asset sale	......	18,031
Net profit	443,380	670,196
Less: Pref. divds.	108,218	354,000
Surplus for year	335,162	316,196
Times Interest and Exchange Earned:		
Before deprec.	6.67	4.74
After deprec.	4.54	3.44
Earnings per Share and Dividend Record:		
Preferred	$8.87	$11.36
Paid	2.17	....
Paid▪	3.76	6.00
Common	0.96	9.03
None paid.		

•Period June 17 to Dec. 31.
▪Predecessor company.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	▪1946
Cash & Dom. bds.	$145,694	$645,783
Accts. rec.	564,551	542,415
Guar. deposits	......	333,302
Inventories	937,520	705,854
Total curr. assets	1,647,765	2,227,354
Investments	101,200	497,894
Deferred chgs.▲	87,026	1,077,935
Fixed assets	27,238,727	25,036,415
Water rights	......	383,355
Franch., contr., etc.	......	829,567
Total assets	29,074,718	30,052,520
Bank loans	1,310,000	......
Accts. & tax., etc., pay.	821,967	1,664,176
Accr. bond int.	29,792	109,235
Total curr. liab.	2,161,759	1,773,411
Due subsid.	102,310	......
Misc. items	728,176	......
Funded debt	11,000,000	9,873,500
Deprec. res.	6,216,696	6,719,142
Other reserves	30,614	1,207,131
Capital stock	8,500,000	9,400,000
Capital surplus	......	100,000
Earned surplus▲	335,163	979,336
▲Incl. ref. EPT	51,859	51,859
Working capital	‡513,994	453,943

‡Excess of current liabilities over current assets.
▪Predecessor company.

Two Planning Reports Due Soon at Windsor

Findings in a unique study of industrial location factors in the Windsor, Ont., area are soon to be published jointly by the Windsor Area Planning Board and the Chamber of Commerce. The area last year got 18 new manufacturing industries, bringing the total in three years to 78 new firms. Another joint report expected soon will deal with possible improvement of the harbor, including setting aside of a large riverfront industrial area.

TSE's Short Interest Jumps

The semi-monthly short-selling report of the Toronto Stock Exchange as of April 15 shows the aggregate short positions, eliminating odd lots, on the books of member firms at 462,582 shares of 148 issues, compared with 311,917 shares of 133 issues on March 31.

Stock	Shares	Stock	Shares
Algoma Steel	125	Int. Paper	450
Amal. Larder	500	Int. Petrol.	2,900
Anglo-Cdn.	2,000	Int. Uranium	8,700
Anglo-Rouyn	500	Joburke	2,000
Argus Corp.	1,175	Kenville	1,500
Armistice	5,000	Kerr Addison	1,000
Astoria	500	Kirk. G. Gate	1,000
Atlas Steel	100	Kirkland Lake	200
Aunor	100	Labrador	10,500
Base Metals	6,000	Laguerre	5,000
Bear Explor.	500	Lamaque	100
Bevcourt	2,000	Laura Secord	225
Brand & Mil. A	600	Leitch	200
B.C. For. Prod.	700	Lingman Lake	500
Bri. Dom. Oil	1,500	Little L. Lac	500
Brown Co.	100	Loblaw B	50
Buffadison	19,000	Louvicourt	12,200
Buff. Anker.	1,300	Lunward	1,000
Calg. & Ed.	4,000	Macassa	4,900
Callinan	1,500	Macdonald	7,400
Calmont	500	Mc. Cockshutt	500
Campbell R. L.	700	MacMillan B	100
Can. Cement	250	Madsen R. L.	2,000
Can. St'mships	300	Magnet Cons.	6,000
Cdn. Brew.	2,827	Mal. G. F.	1,200
Cdn. Canners B	100	Marcus	1,000
Cdn. I. Alco. A	475	Massey-Harris	500
C. P. R.	825	McMarmac	1,000
Cent. Patricia	300	Mid-Cont.	500
Cent. Porc.	500	Mining Corp.	700
Cheskirk	1,000	M. & O. Paper	750
Chesterville	4,600	Mylamaque	5,000
Cochenour	3,100	Negus	15,000
Coniaurum	1,000	Nicholson	1,500
Cons. H'stead	1,500	Normetal	1,800
Cons. Smelters	25	O'Brien	1,700
Crowshore	5,000	Ogama	1,000
Den. Nickel	1,000	Okalta Oil	8,200
Detta R. L.	14,500	Osisko	7,500
Dickenson	1,000	Osulake	3,000
Discov. Y. K.	1,500	Pamour	500
Dist. Seagrams	100	Paymaster	1,500
Diversified	5,500	Pend Oreille	2,100
Dome Mines	100	Pen-Rey	500
Dom. Coal Pr.	125	Pickle Crow	1,600
Dom. Fy & St.	500	Pr. E. Dome	2,500
D. Stl. & C. B	1,200	Que. Labrad.	2,700
Dom. Stores	25	Quemont	700
Donalda	13,600	Roybar	2,000
Dulama	3,000	Rupununi	12,300
East Crest	1,000	St. Law. Corp.	200
East Malartic	1,300	San Antonio	1,400
East Sull.	16,500	Sand River	1,500
Elder	500	Sher.-Gord.	20,600
Eldona	32,400	Silanco	500
		Silver Miller	2,500

Stock	Shares	Stock	Shares
Eureka	76,800	Simpsons A	25
Fam. Players	200	Simpsons B	100
Fanny Farmer	250	Spring. Sturg.	500
Fleet Mfg.	1,400	Steep Rock	6,800
Giant Y'fe	13,630	Sullivan	100
God's Lake	9,000	Surf Inlet	1,500
Golden Man.	200	Sylvanite	600
Gt. Lakes Pa.	250	Teck-Hughes	200
Guayana	1,000	Thurbois	1,000
Hasaga	1,000	Twin City	200
Heva	500	Un. Fuel B	100
Hollinger Cons.	800	Ventures	600
Home Oil	1,700	Waite Amulet	200
Howey	2,500	Walk. G. & W.	350
Hudson Bay	100	Wekusko	1,000
Hunts A	200	Weston, Geo.	75
Imperial Oil	100	Wiltsey Cogh.	2,000
Indian Lake	1,000	W'peg Elec.	875
Int. Nickel	300	Total	462,582

Nat. Steel Car Booked Into '49

Orders on the books of National Steel Car Corp., Hamilton, Ont., ensure capacity operations of its railway car production production facilities well into 1949, President R. S. Hart tells The Financial Post. Earnings are expected to be at least as good as in the last fiscal year ended June 30, 1947 when $1.50 a share was earned.

About 2,000 men are working a five-day, 48-hour week at present, Mr. Hart states. This is an increase from 1,750 men a year ago. The plant generally is working one shift.

About 25 freight cars a day are being turned out. Materials are just sufficient to cover current production. No delay because of shortage of materials is anticipated at present for the summer, Mr. Hart states.

Last January the Canadian Pacific Railway announced that it had placed new 1948 equipment orders totalling $11,970,000 with National Steel Car.

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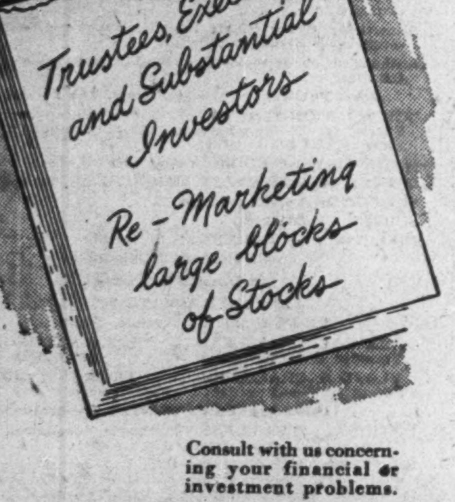

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PROVINCIAL TRANSPORT COMPANY

(including wholly-owned subsidiaries)

COLONIAL COACH LINES LIMITED — KINGSTON CITY COACH CO. LTD. — SHERBROOKE CITY TRANSIT CO. LTD.

NINETEENTH ANNUAL REPORT

for the year ended December 31st, 1947

Submitted at the Annual Meeting of the Shareholders held on April 23rd, 1948

To the Shareholders:

Your Directors herewith submit the Annual Report of the Company for the year ended December 31, 1947, together with Balance Sheet, Profit and Loss and Surplus Account statements.

Balance Sheet

This year the Company continued its programme of replacement of motor coaches. Construction has been in progress upon the garage and terminal in Kingston, which now approach completion. Expenditures made for these purposes, together with the cost of acquisition of some additional operating properties, made a heavy draft upon the Company's cash resources. Consequently, in order to replenish working capital, and to provide for the cost of coaches on order for delivery in 1948, it was necessary to arrange for additional capital. Accordingly, the Directors authorized the creation of $3,500,000 of the Company's 15-year Debentures, dated December 1, 1947, of which $2,000,000 were sold. $600,000 of these bear interest at 2¾% per annum and mature in annual instalments of $75,000 each year from 1948 to 1955. $1,400,000 bear interest at the rate of 4% per annum, with a sinking fund of $75,000 per annum each year, commencing December 1, 1956. A Trust Indenture was executed between the Company and the Montreal Trust Company, as Trustee, dated December 1, 1947. The negotiations pertaining to sale of the Debentures started late in 1947, and were satisfactorily concluded in January, 1948.

Mortgage upon the Company's head office and terminal at Montreal was paid off prior to the end of the year.

It is expected a payment of approximately $78,000 being part of the refundable portion of Excess Profits Taxes will be repaid to the Company by the Dominion Government this year.

Profit and Loss and Surplus Accounts

The operating revenue of $7,531,917 exceeded that of 1946 by $982,261. After deducting Operating Expenses, including Operating Taxes and Licenses, the operating income was $1,189,168. Of this amount $563,107 was required for Depreciation, and $289,200 for the payment of Income and Excess Profits Taxes. The balance of $390,838 was transferred to Surplus Account. While the total operating revenue shows a substantial increase over the previous year, the expenses likewise increased due to wage adjustments, taxes and the general upward trend of the cost of supplies and other expenses. The Company operated 2,832,604 miles more this year than in 1946, as the result of increasing mileage on many lines and providing service on new routes.

Semi-annual dividends of 30c. per share, totalling $210,000, were paid on the common stock during the year. In December, 1947, a dividend of 30c. per share, amounting to $105,000, was declared, payable February 16, 1948.

Traffic

Long distance travel has increased this year. Some services were extended and enlarged and several entirely new ones were established. The Company's lines now connect the principal cities and towns of Quebec and Eastern Ontario. In both provinces patronage of the numerous summer and winter vacation and travel resorts has added much to the travel in the Company's motor coaches, and additional equipment and facilities have been required to give the services. Miles operated in interurban services this year were 16,483,147 as against 13,759,353 in the previous year. The passengers carried this year were 14,524,349, an increase of 2,198,412 over last year. Special charter travel has grown this year. The facility and convenience of this method of transportation appeal to many people who wish to make their journeys in parties and at special times.

The gross income of the Company in 1937 was $1,324,149. It has increased to $7,531,917 in 1947, thus showing the substantial growth of the business. During this period new roads have been built and many of the existing ones have been rebuilt in a modern manner. Most of the highways over which the Company operates are now cleared of snow during the Winter season. As a result these improved conditions have contributed to the betterment of the operation of the services. The Company now serves 640 communities and is represented by 382 agencies located at various points on the Company's system.

City Services

During the year both the Kingston City Coach Company Limited and the Sherbrooke City Transit Company Limited enjoyed increased traffic.

In Kingston 4,998,796 passengers were carried, an increase of 337,334 over 1946. Mileage operated was 665,558, compared with 656,502 the previous year. In Sherbrooke 5,538,080 passengers were carried, an increase of 635,651 over the previous year, and mileage operated was 666,187 as compared with 566,433 last year.

Passenger Equipment

The Company had 367 buses in operation at the end of 1946. During 1947 ninety-one new buses were purchased. A number of unsuitable and worn-out buses were disposed of and at the end of 1947 the Company operated 394 buses. There are now on order for delivery in 1948, sixty buses. The receipt of these will further increase the Company's ability to give improved services on its lines. Since 1939, buses have continued to increase in price, and this cost continues to rise.

Terminals and Garages

The construction of the garage and terminal in Kingston has progressed slowly during the year owing to the delays encountered by construction in general. The garage is now in partial use, and will shortly be finished. The terminal has been substantially completed, and will be in operation for the commencement of summer travel.

Personnel

Your Directors desire to place on record their sincere appreciation of the faithful and efficient service of the Officers and employees of the Company throughout the year.

Submitted on behalf of the Directors,

W. S. HART,
President.

CONSOLIDATED BALANCE SHEET

As at December 31st, 1947

ASSETS

Current:—		
Cash in Bank and on Hand	$ 336,447.62	
Accounts Receivable		
Proceeds from sale of Debentures	1,962,157.53	
Accounts and Bills Receivable (Less Reserve)	101,624.18	
Other Investments	32,520.00	
Materials and Supplies	326,159.71	
		$2,648,909.04
Fixed:		
Motor Coaches and Equipment	$5,791,327.09	
Less: Depreciation	3,180,185.00	
		2,611,142.09
Buildings	1,076,421.33	
Less: Depreciation	130,560.52	
		945,860.81
Land	355,031.73	
Garage and Terminal under construction (expended to date)	320,076.70	
		4,232,111.33
Refundable Portion of Excess Profits Tax		485,924.50
Deferred Charges to Operation		54,872.90
Franchises		816,687.42
Unamortized Debentures Discount and Expense		61,500.00
		$8,300,005.19

LIABILITIES

Current:—		
Accounts and Wages Payable (including provision for balance of Income and Excess Profits Taxes)	$1,124,323.77	
Dividend Payable February 16th, 1948	105,000.00	
Accrued Charges	183,706.89	
Unredeemed Tickets	333,818.82	
		$1,747,049.48
Operating and Insurance Reserves		242,675.00
Reserve For Contingencies		300,000.00
Debentures:—		
Authorized ... $3,500,000.00		
Sold under purchase agreement dated December 19th, 1947:—		
2¾% Serial Debentures maturing $75,000 annually on December 1st, 1948 to 1955 inclusive	600,000.00	
4% Sinking Fund Debentures maturing December 1st, 1962	1,400,000.00	
		2,000,000.00
Capital Stock:—		
Authorized and Issued:—		
350,000 shares of No Par Value		2,525,482.25
Earned Surplus		998,873.96
Deferred Surplus:—		
Portion of Excess Profits Tax Refundable		485,924.50
		$8,300,005.19

Approved on behalf of the Directors:

R. N. WATT
JAMES WILSON, O.B.E. } Directors.

COMPARATIVE CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the Years Ended December 31st, 1947 and 1946

	1947	1946
Passenger Revenue	$7,437,636.79	$6,463,008.66
Other Operating Revenue	94,281.09	86,647.87
Total Operating Revenue	7,531,917.88	6,549,656.53
Deduct:		
Operating Expenses	5,212,114.14	4,107,616.20
Administration and General Expenses	353,694.42	274,485.01
Operating Taxes and Licenses	776,941.14	630,355.88
Total Operating Expenses	6,342,749.70	5,012,457.09
Operating Income	1,189,168.18	1,537,199.44
Provision for Depreciation	563,107.10	576,055.48
Net Operating Profit	626,061.08	970,143.96
Other Income		
Income from Investments	12,921.59	34,506.90
Net proceeds from sales of Motor Coaches and Equipment	51,336.51	....
Gross Profit	690,319.18	1,004,650.94
Income Deductions		
Interest	10,280.93	7,575.82
Net Profit before Income and Excess Profits Taxes	680,038.25	997,075.12
Provision for Income and Excess Profits Taxes	289,200.00	527,200.00
Net Profit transferred to Surplus Account	$ 390,838.25	$ 469,875.12

SURPLUS ACCOUNT

Balance brought forward from previous years		$ 899,108.33
Less: Adjustments applicable to prior years		8,391.92
		890,716.41
Add:		
Net Profit for year 1947 (transferred from Profit and Loss Account)	$ 390,838.25	
Profit realized on sale of Investments	32,319.30	
		423,157.55
		1,313,873.96
Deduct:		
Dividends paid in 1947	210,000.00	
Dividends declared payable February 16th, 1948	105,000.00	
		315,000.00
Surplus per Balance Sheet		$ 998,873.96

AUDITORS' REPORT

We have made an examination of the Consolidated Balance Sheet of Provincial Transport Company and its wholly-owned subsidiary companies, Colonial Coach Lines Limited, Kingston City Coach Company Limited and Sherbrooke City Transit Company Limited, as at December 31st, 1947, and have received all the information and explanations we have required.

In connection therewith, we examined or tested the books and accounting records of the Companies and other supporting evidence, but we did not make a detailed audit of all the transactions.

Materials and Supplies have been certified as to quantities and values by responsible officials.

Ticket Sales and Cash Funds have been checked periodically by the Companies' Internal Auditor, from whom we have received certificates to that effect.

Included in Operating and Insurance Reserves is an amount of $129,400 reserved for the proportion of unsettled injuries and damage claims, payable by the Companies. The officials estimate this sum to be sufficient for the purpose.

Subject to the above, in our opinion, the attached Consolidated Balance Sheet and Statement of Profit and Loss and Surplus are properly drawn up so as to exhibit a true and correct view of the affairs of the aforementioned Companies, according to the best of our information, the explanations given to us and as shown by the books.

SHARP, MILNE & CO., Chartered Accountants.

Montreal, March 18th, 1948.

Not That Simple, Mr. Coldwell

Established policy of the CCF is to play one class or section against another. In the narrower municipal or provincial fields this sort of strategy may fool a certain proportion of the people, but its danger and weakness becomes more apparent when it is attempted on a national level.

Mr. Coldwell's stand in the freight rates controversy is a glaring example. If that wins wide support for the CCF then the Canadian public is almost as gullible as Mr. Coldwell and his supporters seem to believe.

With an eye to the votes of farmers and other producer groups in the west and east, Mr. Coldwell comes out flatfooted against the freight rate increase.

In doing so he probably hoped that his labor supporters would take no notice, nor would the farmers and other producer groups inquire too closely as to how the railways would be kept in operation without additional revenue. Such hopes, however, appear doomed.

Mr. Coldwell's labor supporters have taken notice. One of the biggest labor unions affiliated with the CCF is the Canadian Brotherhood of Railway Employees. Its membership, which runs around 40,000, is vitally interested in higher freight rates because its current application for increased wages is dependent on more revenue for the railways. The CRBE has made it very clear that it does not approve of Mr. Coldwell's stand. And when the other groups realize what Mr. Coldwell is offering in place of higher freight rates, they are not going to like that picture either.

The CCF plan is simple, and fits in perfectly with its crusade to eliminate all profit and incentive in industry. Let the railways operate at a loss, it says, with an increasing deficit for the Canadian National paid by the general taxpayer.

True, this won't improve the present service or replace a great deal of equipment worn out during the war. It will also mean bankruptcy for the CPR.

But what of that?

We will have complete nationalization of our railroads, with no competition and therefore no need for better service or equipment. We will also enjoy cheap prewar freight rates, by far the lowest on the continent. And finally we will have an annual railway deficit that will make the prewar losses of the CNR look like peanuts.

That is the way Mr. Coldwell and the CCF party would solve the railway problem; that is the way they would like to solve the problem of every other national industry, too. It is just a matter of two simple steps; first, enough government interference to prevent any profit, and force them into bankruptcy; then take them over and soak the taxpayer to pay for the losses.

Now, Now, Mr. Buck

Tim Buck, Canada's No. 1 Communist, has just written a letter to each member of Parliament. He's against the La Croix bill which wants to make the Communist party an illegal organization and which would punish with fines and imprisonment those advocating doctrines of the LPP.

We are not at all sure the La Croix measure is the right way to deal with the [illegible] but Tim Buck's letter is the funniest reading we've had in many months.

> "The LPP (says Buck) . . . repudiates all concepts of 'force and violence' as means of achieving its aims" . . .

> "The LPP is an absolutely independent Canadian party, with no affiliation with any party or organization outside this country. The LPP neither gives nor takes orders from anyone. There is no one who can bring forth a shred of evidence which could contradict this."

Tim Buck can go on asserting the foregoing until he's blue in the face, but no one is going to believe him. Why? Because Communism everywhere uses deceit as an organized and highly developed weapon of political policy. Another reason: Tim and his followers have long and faithfully exhibited a truly remarkable capacity for following the sudden and contradictory twistings and turnings of the party line.

Read the news and comment of Communist papers in Toronto and "the line" is identical with that reported from Moscow.

No, Mr. Buck, you gave the M.P.'s some amusing reading, but you helped the LaCroix bill more than you hurt it.

How many Commies there are in Canada it is obviously impossible to know accurately. The figure commonly used is 18,000 card holders organized in 550 branches. Probably there are ten fellow-travellers for every card holder. In the last federal election in which LPP candidates contested less than a fifth of the seats, they got 111,000 votes.

But because of their organizing skill and assiduity, both Communists and fellow-travellers have an influence far beyond their numbers.

Russia is everywhere waging war against freedom and decency. Democrats must be careful in the means used to control these enemies within our midst, but public opinion is unlikely much longer to accord them the complete freedom which they now enjoy and which they so eagerly try to destroy.

Travel Can Pay Dividends

There has been a lot of criticism heard around Ottawa because a group of city fathers from the capital and surrounding municipalities elected to go on a town planning junket to New York, Philadelphia and Washington.

They went by coach (58 of them) and the average cost was something under $200 each. Some of the stay-at-homers objected to the respective councils footing the bill. There were 34 representatives of municipalities in the Greater Ottawa area; 11 technical experts, plus Board of Trade members and press representatives.

Nothing teaches so quickly or so cheaply as seeing actual examples of what other people have done, and in town planning some of the United States cities visited by this group of Canadians have done some magnificent work.

Generally speaking our civic authorities in Canada do not travel enough, do not see what the more progressive communities on the continent have been doing. A few dollars wisely spent on travel can help to broaden the vision of our city fathers and avoid many costly mistakes in public spending.

Completely Wrong, Mr. Gardiner

In a Western speech the other day, Agriculture Minister Gardiner implied that if Canadians hope to continue strong and healthy, they must eat butter exclusively, margarine would not do. Mr. Gardiner is wrong, completely wrong.

Actually, margarine is as nutritious as the very best butter, that is made when the grass is lush and full of vitamins in June. Compared with butter made at other seasons, margarine is actually superior, containing more of certain beneficial vitamins.

It is difficult to understand a man of Mr. Gardiner's ability making a mistake like that. As an authority on livestock, he must know a great deal about modern nutrition. He didn't have to look far for the facts on margarine versus butter. The current issue of Consumer Reports, for instance, points out that margarine contains as many calories, pound per pound, as good butter, the same percentage of digestible fats and the same percentage of skim milk powder. In addition margarine has a higher content of vitamin E. "Margarine backers have plenty of evidence for their insistence that margarine is as nutritious as butter, as digestible as butter, and, if yellow, as appealing as butter," sums up Consumer Reports.

And this statement comes from an absolutely impartial source.

Mr. King Sets Record

Until the beginning of this week no other British Prime Minister had served as long as Sir Robert Walpole who headed the government of the United Kingdom from 1721 to 1742. On Wednesday his record of 20 years, 10 months and nine days was broken by Canada's Mackenzie King.

That is a remarkable achievement, and especially in these fast changing times, and every Canadian regardless of his individual political leanings will join in heartiest congratulations.

Since Confederation there have been 11 different prime ministers of Canada, five of whom served two or more times. Nearest to Mr. King's record comes that of Sir John A. Macdonald's, 19 years, and next to that, Sir Wilfrid Laurier's 15 years. Shortest term was served by Sir Charles Tupper, a mere two months in 1896.

In provincial service the Canadian record is held by George H. Murray, who was premier of Nova Scotia for 27 years (1896-1923), with Sir Oliver Mowat, premier of Ontario from 1872-1896, in second place.

Must Plant More Trees

Since it established its first forestry station at St. Williams, forty years ago, the Ontario Government has distributed 265 million trees to farmers and other landowners for planting. That is a lot of trees, but compared to the amount of ground that could and should be covered, the distribution to date has been a mere drop in the bucket. Most of these trees have been used for rebuilding and extending farm woodlots, though in recent years an increasing percentage have gone into new county and provincial forests.

Tree planting deserves and needs the greatest public support. It deserves support because without a tremendous increase in planting in the next few decades, a very large acreage of our land is going to revert to worthless and dangerous desert.

It needs support because successful tree-planting absorbs a tremendous amount of enthusiasm. Not only are there risks and losses to be faced from mice, rabbits, grass fires and Christmas tree vandals but there is the long, long wait for the final harvest, a matter of 75 years or more.

Only an optimist makes a really good tree planter and unfortunately there are far too few of them in rural Canada today.

For Safer Hotels

No one is likely to take serious issue with the principles expressed in the Ontario Government's new Hotel Fire Safety Act. The need for a recasting of fire prevention regulations in public buildings, particularly hotels, has been apparent for years.

A series of disastrous hotel fires on this continent two years ago called tragic attention to the fact that the fire hazard was not confined to old buildings, but that even some of our most modern structures offered inadequate protection. Fortunately, there have been few serious hotel fires in Ontario, but that does not minimize the need for a modernization of both fire protection laws and fire escape facilities. Better to have it done now than wait for a disaster to provide the spur.

There may be some objection to the cost involved in installing sprinkler systems in hotel lobbies, but lack of this protection has already contributed to the loss of scores of lives in the United States and Canada. Similarly, many lives would have been saved in other hotel fires if the alarm system could have been operated from each floor as well as the office. The provision calling for posting of floor plans, showing location of fire exits, in each hotel room is also soundly based on past experience.

The importance of the new measure becomes apparent when it is realized that there is no such thing as a "fireproof" building in the literal sense of the word. The phrase, in fire underwriters' language, simply means that walls and floor will not collapse even if the building is gutted by fire. Hotel guests who have been lulled into a false sense of security by the use of this phrase should appreciate the real contribution that is being made to their safety by the Ontario Act. Hotel proprietors, too, should welcome the establishment of safety standards which must be met by every operator in this important business.

Other provinces might well follow the example of Ontario in this matter.

Napier Moore's ScratchPad

RAMBLING THROUGH Canadian Trade Abroad we were pulled up short by the statement that in January Canada exported two gallons of whisky to the United Kingdom. We called the head of our research department about this. Delving into the matter with lively interest, he came up with the additional information that in February Canada exported eight gallons of whisky to Britain. Furthermore, while the January shipment was valued at $12 a gallon, the February cargo was valued at $7.50 a gallon.

While distillers, he concluded, had no specific information about these shipments, they assumed they were gifts. The makers of one well-known brand have a special gift export permit. For such orders the charge is $12 a case of a dozen 25-oz. bottles. Shipping and packing costs are $7.50. But on arrival of a case in Britain the recipient pays $65.50 duty. So the gift costs him $5.50 a bottle. The donor, if he wishes, can pay all costs, in which event the case costs him $85.

Distillers don't plug the gift shipment business. The price, $1 a bottle, is no more than they get from the domestic market, and every gift case is a loss to local trade.

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WE DON'T SUPPOSE you ever heard of the Hat Research Foundation of Canada. We, too, were surprised that there actually is such an organization. It has launched a campaign to weaken the morale of young men who barge about in all weather without a hat. Large posters proclaim that "A successful man ALWAYS wears a hat." Advertisements, aimed at younger fry, ask "Are you grown up or just a big kid?" or admonish in terms such as "Don't be a bobby soxer," or "Use your head."

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WE TAKE OUR OWN HAT off to the members of the Hamilton Junior Chamber of Commerce, who are doing a grand job in connection with community health. A year ago, the Junior Chamber was asked by the city's Health Association and the Mountain Sanatorium to organize a mass X-ray survey. Since June some 50 committee members (and particularly the directing body of 10) have worked harder than beavers. All young businessmen, most of them married, they have devoted several nights a week to the task; attended 74 meetings. They got the co-operation of various organizations, including the Junior League; enlisted 3,000 volunteers. One committee arranged for the X-raying of all school children over the eighth grade, and for night students. Another committee organized the X-raying by transportable units of factory and office workers. A third committee organized a door-to-door canvass, making definite appointments for housewives and persons not employed in large concerns. A fourth has selected sites for clinics, provided power, organized staffs totalling 800 volunteer workers. The publicity committee worked out an educational campaign.

By the end of March, 55,000 X-rays had been taken. The goal is 100,000.

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FRIDAY April 23 is St. George's Day, celebrated by St. George's Societies throughout the Empire. Probably the biggest dinner of all is that held by the Toronto branch. As to the identity of England's patron saint there has been controversy between historians and ancient church authorities. According to W. J. Passingham, who wrote about it ten years ago, the confusion arose when the Venerable Bede, in error, put the halo on George of Cappadocia. Historians claim this George was an out-and-out thug; that the saint actually was Georgia of Lydda, Palestine. Of noble birth, the latter became a Roman officer and Tribune, was a mighty warrior in Persia, headed an expedition to Britain, refused to obey the Emperor Diocletian's edict for extermination of all Christians, became a convert and was tortured and beheaded on April 23, 303 A.D. It was while he was on his way to beg Diocletian to save the Christians that St. George slew the dragon, near Beirut. The dragon was a crocodile.

Edward (Decline and Fall) Gibbon insisted that, on the other hand, George of Cappadocia was a base, corrupt character who made a fortune selling pork to the Roman army, manipulated a salt monopoly, made himself Master of the Alexandria Mint, ruthlessly suppressed a rebellion. He came to a very sticky end.

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THE CANADIAN and Empire Clubs of Toronto are friendly but keen rivals. The Empire Club invited Saskatchewan's Premier Douglas to speak on Thursday of this week. He accepted. The club's officials got a shock when the Canadian Club announced Mr. Douglas would address it Monday. He had accepted that invitation, too, and neither club knew of the duplication. The CCF, of course, doesn't believe in the competitive system.

Stop Me If—

A sentimental woman was married to an unromantic man. One evening she said to him with a sigh: "Would you mourn for me if I were to die?"

"Oh, yes," he mumbled, "of course I would."

"And would you visit the cemetery often?"

"Certainly," he said, with a little more animation. "I pass it on my way to the club, anyhow."

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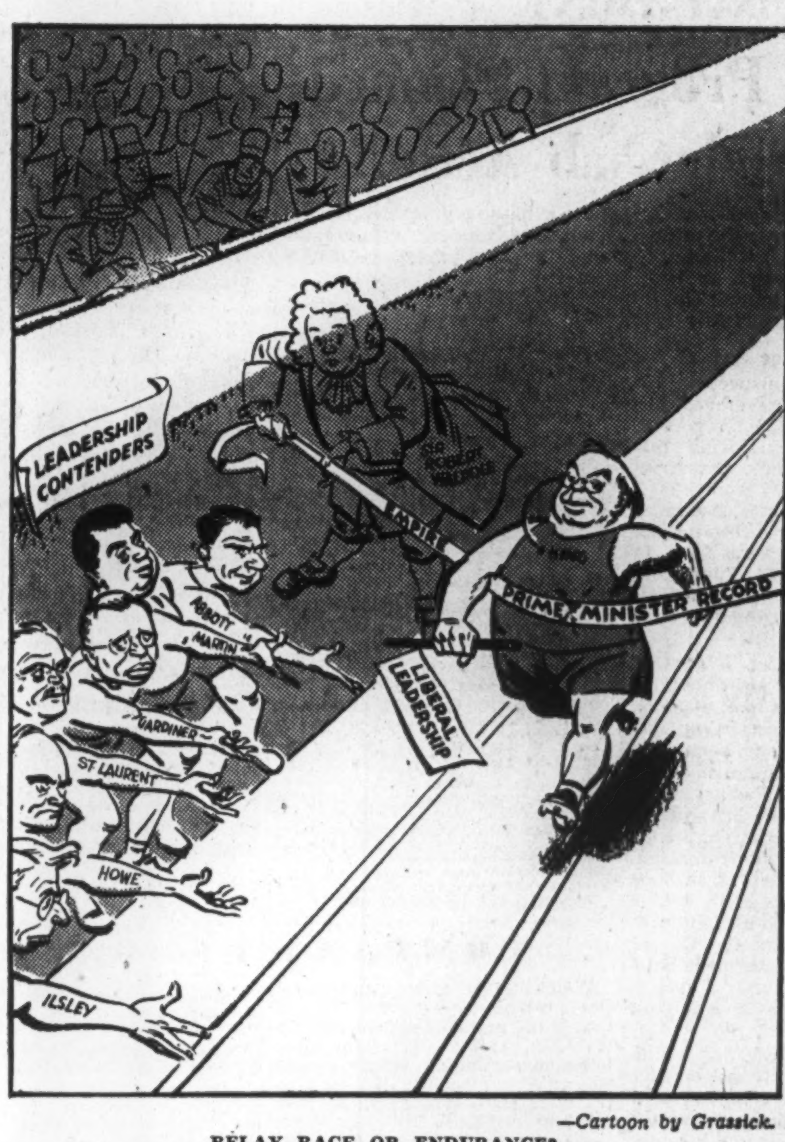
Centenarian: "Yup, I'm 100 years old, Bub, and I'm proud to say I ain't got an enemy on earth."

Reporter: "That is a very beautiful thought, sir."

Centenarian: "Yup. Last one died 'bout a year ago."



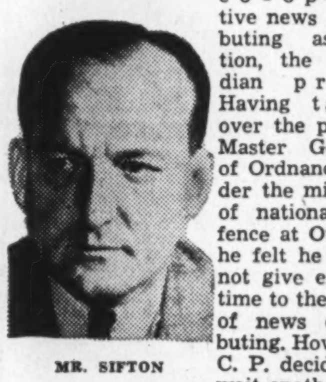
—Cartoon by Grassick.

RELAY RACE OR ENDURANCE?

Post Scripts

Heads Canadian Press

In early days of the last war Victor Sifton, general manager of the Winnipeg Free Press, withdrew as director and vice-president of Canada's co-operative news distributing association, the Canadian press. Having taken over the post of Master General of Ordnance under the ministry of national defence at Ottawa, he felt he could not give enough time to the work of news distributing. However C. P. decided to wait another opportunity. It came at its annual meeting last week. Sifton was elected president.



MR. SIFTON

As publisher and head of a newspaper which made its name under one of journalism's most distinguished editors, the late Dr. John W. Dafoe, Victor Sifton inherited from the man he used to call "The Chief" a reverence for the maxims of the publishing business, one of them, "Comment is privileged, facts are 'sacred.'"

When war broke in 1939 he was at his desk in the Winnipeg Free Press. Soon after he went to Ottawa in an unofficial capacity and later as executive assistant to the Minister of National Defence. He served without pay, acting as trouble shooter for Hon. J. L. Ralston, then head of the department.

He made a survey of ordnance and largely on his recommendation Philip Chester, general manager of the Hudson's Bay Co., was appointed Master-General. Later when Chester was recalled to Winnipeg, Sifton accepted the post.

As head of Ordnance he operated the biggest single merchandising business in Canada, one that involved expenditure of millions in buying for the armed forces 50,000 separate items required by an organization of fighting man power.

Victor Sifton shattered precedent when as Master-General of Ordnance he served in civilian clothes rather than the red-tabbed uniform of high military rank. He had a background of military training himself. During the first World War he had three years' active service in France, rising from subaltern to major and second-in-command of his battalion. He was awarded the Distinguished Service Order for services in capture of the village of Folies during the advance on Amiens in August, 1918.

Born in Ottawa in 1897 he was educated in Ottawa schools. An Arts course in the University of Toronto was stopped by outbreak of war in 1914. After the armistice he returned to Canada and for a number of years travelled extensively, visiting China, Russia, and Germany.

When the Siftons bought the Regina Leader-Post and the Saskatoon Star-Phoenix in 1928 Victor Sifton became a newspaper publisher. As president of both he made his headquarters in Regina.

In 1935 he moved to Winnipeg as general manager of the Winnipeg Free Press. In Winnipeg Sifton has earned confidence and high esteem both in his newspaper capacity and by his personal work for good causes in the community. One of his special interests is the Canadian Red Cross Society of which he has been president of the Manitoba section.

Quiet and reserved, he has taken a keen interest in the editorial as well as the business side of the publishing business. At times he has done writing himself, having reported the World Economic Conference in 1933 in London.

His recreations are horsemanship and skating. His early military training was in a cavalry regiment. The Sifton stable has won international awards at shows in Western Canada, Toronto, and New York. Victor Sifton is a former president of the Winnipeg Winter Club on whose ice there have been developed Canadian and international champions.

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Man With a Purpose

In choosing James Muir, general manager of the Royal Bank of Canada, to chair this year's campaign, Welfare Federation of Montreal has connected with one of Canada's livest wires.

James Muir has climbed fast and far, from clerk in the Commercial Bank of Scotland at Peebles to top executive officer of one of the world's 12 biggest banks. A colleague remarked not long ago: "Muir not only looks as if he were always going somewhere, but as if he were going somewhere to do something."

MR. MUIR

The Welfare Federation will find this fall that the Campaign Chairman is not the commonly pictured peppery financial executive, but a digger-after-facts. He will want to visit every agency and see for himself the good work that is being done before he gives it his blessing. He likes to meet people who are doing things, and he has the greatest respect for those who do things in their particular fields as well as he does his job in banking.

This wanting-to-know-all-about-everything attitude is a life-long trait, and sometimes the searching after causes leads to amusing conclusions. For example, why did this Scottish lad land in Canada in 1912? He will tell you, with a twinkle in his eye, that it was because he had mumps. The day of his appointment with James Mackie, co-manager of the Royal Bank city branch in London, his neck was obviously swollen, and he says: "I still think my quick hiring for a job in Canada was as much attributed to a desire to get rid quickly of a source of mumps — contagion as because Mr. Mackie detected the makings of a promising banker."

After four years at Moose Jaw, Muir started the peregrinations which have carried him to every quarter where the bank operates one of its 700 branches. In 1945 he was appointed general manager, and a year ago he was elected a director.

The authority with which the G. M. can express his opinions on any earthly subject—or in the realm of philosophy, for that matter — never ceases to amaze his staff. It provokes them, too, because he is so often right.

He is concise. It is said of him that when he was approached by the Press in London last year and asked to tell his opinion of the state of the world in "about 300 words" he retorted that problems which had baffled Aristotle, Plato and Keynes couldn't be covered in 300 words, "But," he added, "give me 500 words and I'll try."

One thing is certain, those who work with him on the Welfare Federation Campaign are in for an interesting experience. He doesn't believe in the old slogan: "Get there fustest with the mostest men." Instead, he declares, "the success of an organization depends on having the right number of people in the right jobs at the right time and in the right mood." Those who publicize the campaign will learn that its top man knows his public relations. He believes wholeheartedly in advertising, but it must be good advertising, directed to a purpose. No aimless wandering in pleasant phrases will please him: tell the people what you want to know and what you would like them to do, is his guiding principle.

What Others Are Saying

Editorial of the Week

We're All Workers

Yorkton (Sask.) Enterprise

We are sure we voice the resentment that many residents of Saskatchewan feel when they are patronizingly referred to by CCF politicians as "common people." It is ridiculous to attempt to divide the people of this province into two classes, "common" and otherwise. Ninety-nine out of every hundred residents of this province arrived here with practically nothing in the way of goods, chattels or capital and those who have made good since are, in the main, no different in their attitude to their fellow citizens or in their outlook on life than they were then.

This continuous playing of the same old record gets monotonous in time, even though varied by references to "exploitation" by reactionary capitalists. We thought the late war had definitely establshed the fact that there never was a "master race." None of the good people of Saskatchewan that we know think of themselves as being better than their neighbors. Most of those who now own their own farms or small businesses graduated from the ranks of hired men or clerks or mechanics.

Let's stop this business of trying to divide and rule by creating a feeling of class consciousness and of suspicion and distrust. All are workers in Saskatchewan. Some happen to have risen from the ranks by reason of long experience, aptitude and application to duty. Most of the others hope to do the same thing in time. Is there something reprehensible about this? If there isn't, why refer to employees as "common" and to others as "privileged"?

Other People's Views

WHAT PEOPLE USUALLY MEAN when they say we are over-governed is that government is over-expensive points out the **Vancouver Sun**. "There they have something. This year the City of Vancouver will be asking for about $60 from every man, woman and child in the community. The province will be taking about $75 apiece. The two together represent about $11 a month for each of us, without considering the federal levy."

DREW SEIZES OPPORTUNITY is the way the independent **Windsor Star** sums up the Ontario Government's decision to go to the polls June 7, "Though he could have waited two more years, Premier George A. Drew's government is presently in an exceptionally strong position, and he intends taking advantage of that fact. His announcement will be a shock, though not an entirely unexpected one, to the Liberals and the CCF. They are both currently weak, and it is doubtful if they can gain enough strength in a seven-week campaign to overthrow the Government."

CCF's STAND against higher freight rates is not going to win friends among its labor union affiliates, predicts the **Calgary Herald**. "David Lewis, national secretary of the CCF, assured the press that 'the warmest relations continue to exist between the CCF and the CBRE (Canadian Brotherhood of Railway Employees). Mr. Lewis' use of adjectives was unfortunate, in view of the circumstances, though, in the true sense of the word, he was probably correct. If Mr. Coldwell insists in fighting a freight rate increase, the relations will be positively hot, though the railwaymen's attitude toward him at the polls may be as positively cool."

PROSPECTS ARE DIMMER for the Pacific Great Eastern Railway, believes the **Vancouver News-Herald**. "Here in B. C., recurring visions of the 'completion' of the headless-tailless railway to the north don't seem too bright today. Former premier John Hart, who has long advocated extending the railway north from Quesnel, is reported to be contemplating resigning its presidency in the near future. With the recent retirement of W. M. Neal as CPR president, ex-Premier Hart says he does not feel equal to the task of having to start negotiations all over again with a new railway president for joint action on extending the PGE.

Whether or not the PGE is ever extended according to high-sounding government aspirations, or American dreams, a lot of money must be spent soon to put its present 347 miles of track and bridges into such shape that it can operate with efficiency, safety and comfort."

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The Provincial Roundup

British Columbia

Sales Tax Storm: The province might have had more unpopular laws than Finance Minister Anscomb's 3% sales tax (The Financial Post, March 27, April 3) but few had ever stirred wider vocal opposition. Consumers objected that the levy would increase living costs; retailers protested against being made "collection agencies" for the Government. CCF Leader Harold Winch branded the tax as "unsound, unfair, unseemly, untimely, unreasonable, unwarranted, inequitable, heartless, cruel, deceitful, faulty and fraudulent: a violation of British justice." Government supporters, including Mrs. T. J. Rolston and W. A. C. Bennet, voted against the measure, and threatened to do so again. In the face of all of which, Premier "Boss" Johnson stood firmly behind the tax bill, and warned that its defeat would mean a general election. The prospect: the bill would pass; would probably come into force about mid-May.

Lengthen Race Season?: Pari-mutuels definitely would not click at Lansdowne Park this year, because "all efforts to obtain relief from excessive and unfair taxation have failed," spokesmen for the B. C. Turf & Country Club reiterated (The Financial Post, March 27). The province stood firm against any tax concessions, but Attorney-General Gordon Wismer suggested, as an alternative, a longer racing season; said legislation was being considered, to legalize an eight-week meet at Hastings Park. Any such step, however, he stressed, would require federal approval.

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Alberta

Vote in August?: It looked this week as though Alberta might be fourth, if not fifth, in the provincial election field. Most observers agreed that the Manning administration would go to the country this year; but many believed it would not be until early August, a month which had brought Social Credit victories in 1935 and 1944. J. Harper Prowse, Liberal Leader, insisted his party was ready, said it would contest every seat, and would not consider either coalition or a saw-off agreement with any other political group. CCF ers, under Elmer Roper, and Independents, led by J. Percy Page, were also organizing. Progressive Conservatives would probably throw their support behind Page's group.

Change in Libel Law?: Alberta agreed that the "Babies for Export" case pointed the need for a change in the Criminal Code; but it did not agree with other sources, as to the direction of the change. An amendment now before Parliament, would provide that charges of conspiracy to libel must be tried in the province of publication, as libel charges now must. The Manning Government, however, appealed to Ottawa for a change in reverse—to make it possible to lay a libel charge in any province where a publication is circulated. (Alberta recently dropped libel conspiracy charges against J. Kent Cooke, publisher of the magazine New Liberty; Harold Dingman, its Ottawa editor; and Dr. Charlotte Whitton, welfare researcher. Cooke had previously been acquitted on a charge of "counselling" publication of a libel).

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Saskatchewan

Social Credit Stands Pat: Social Crediters were determined to play a lone hand in the next provincial election; declined to enter any coalition, formal or informal, with Liberals and Progressives, and said they planned to contest every constituency. Said President J. N. Haldeman of the Saskatchewan Social Credit League: "Walter Tucker (Liberal Leader) has shown no intention that he wishes to defeat Socialism, but is only interested in defeating the CCF . . . if sincere in his opposition to Socialism, he should sever his connection with the Liberal party, which upholds Socialist controls and regulations." Regina Liberals and Progressive Conservatives meanwhile, had agreed to nominate only one candidate each, in an effort to wrest the city's two seats from the CCF. Simultaneously, Tucker challenged Premier T. C. Douglas to name the election date at once; voiced suspicions that the Government had "developed cold feet", and might postpone the vote until 1949 (when its term expires).

First Plywood Plant: The Prairies' first plywood factory, Hamjea Plywood Co., was to start operations at Hudson Bay next week (May 1); was scheduled to begin exporting poplar plywood in July. The $30,000 plant was expected to give initial employment to 30 persons, the majority Saskatchewanians. Manager Maurice Rogers estimated the plant would utilize eight cords a day of birch and poplar logs, as a beginning.

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Manitoba

Needn't Be Power Famine: There is no actual power shortage in Manitoba, and need not be, if the Winnipeg Electric Co., the Winnipeg Hydro, and the provincial Government, "co-operate in a sensible manner to prevent it," Premier Stewart Garson assured the legislature. He insisted, however, that the baby belonged primarily to the two former bodies, under their 35-year-old agreement with federal authorities: "So far as a possible shortage is concerned, the over-riding responsibility of the province does not come into existence until the Winnipeg Electric Co. and the Winnipeg Hydro, between them, fail or are unable to discharge their primary responsibility, which they freely assumed, and which for 35 years they have been discharging by producing that power themselves."

CPR Fights Taxation: Fighting back against Winnipeg's proposal to tax railway property (The Financial Post, Feb. 7, March 6, March 20), the Canadian Pacific Railway applied for an injunction to restrain the City from such action; asked for a court declaration that the agreement reached between the City and the railway in 1881, and ratified by the Legislature two years later, was still binding, and that railway property "shall be forever exempt from municipal taxes." The City had a bill before the Legislature, seeking abrogation of its 1881 bylaw; the Government had taken no stand on the question, but Attorney-General McLenaghen declared he personally would vote against the bill.

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Ontario

Election on Hydro: While Quebec, Saskatchewan and Alberta jockeyed for position in the provincial election free-for-all, Ontario suddenly and inconspicuously beat them all to the starting post. As the province's 22nd legislature prorogued last week end, Premier George A. Drew announced an election for June 7, with a $600-million Hydro program as the main issue. Opposition leaders accused Drew of building up a straw man, pointing out that the Hydro development had already been unanimously endorsed by the House. They declared themselves ready for the fray, although Liberal Leader Farquhar Oliver had admitted, a week before, that his party would be in better position in 1949, than today.

Bar Bonded Trucks: The short-cut route along the north shore of Lake Erie, was to be closed, in future, to American trucks hauling between New York and Michigan points. During the war, such shipments had been allowed, in bond; and Highways Minister George Doucett estimated that it would cost the province $1.4 millions to resurface No. 3 highway, as a result of such traffic.

Simultaneously, Doucett dashed Ontario motorists' hopes for a cut in gasoline tax for at least another year. Setting his sights on a highway expenditure target of $100 millions yearly (last year's $61 millions was a record up to the present), the Minister warned: "Instead of cutting the gas tax, demands for roads will require we spend more money than ever before."

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Quebec

Expect June Vote: George Alexander Drew's hat was first in the election ring, but Maurice LeNoblet Duplessis looked like an easy second starter in the contest. Predictions were heard that he would announce dissolution of Quebec's 22nd legislature, at his annual birthday dinner this week; and informed observers picked June 16 or June 23 as the date. Liberals would not be caught napping by such an announcement; both major parties had been speeding nominating conventions throughout the province.

First ECA Cargo: Canada's first shipment under ERP (now rechristened ECA, Economic Cooperation Administration), due to leave Montreal next week (probably April 30). The cargo would be cereal; but other details were still undisclosed— volume, cost, country of destination, and name of the ship; the latter would depend partly on ice conditions in the Gulf of St. Lawrence. Port authorities predicted, however, that the flow of ECA supplies would be in full swing by mid-May. Meanwhile, the British freighter Manchester Shipper had won the race to be the first into Montreal harbor (last year the Shipper had been beaten by a margin of 15 minutes).

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New Brunswick

Election Fever Spreads: Here also, election rumors were in the air as the Legislature drove toward prorogation (tentatively scheduled for next week). One issue in such a campaign, might be an increase in coal subvention; already Premier J. B. McNair had protested apparent federal discrimination against this province. Trade and Commerce Minister Howe, the premier pointed out, had promised higher subventions on Nova Scotia fuel, to offset increased freight rates; but had made no mention of similar concessions to New Brunswick.

To Modernize Jails: Aiming to modernize the province's penal system, the Government named Judge J. Bacon Dickson of York County Court, a Royal Commissioner to survey "the administration and maintenance of the jails of the province, and their suitability as institutions for the punishment, reformation and rehabilitation of prisoners sentenced thereto; and the suitability of other modern penal systems, to New Brunswick." One definite proposal to be studied; a central prison, to be jointly maintained by the three Maritime provinces.

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Nova Scotia

Fight Over Redistribution: In Nova Scotia, the immediate political issue was redistribution; and that usually meant that an election was not far distant. The present 30-member House was to be enlarged by seven or eight seats; but a special Redistribution Committee had a problem, weighing rural and urban claims. Halifax was pressing for increased representation, in ratio to population; but rural areas contended the city and county were already adequately represented, with five members; and pointed out in addition, that all members of the cabinet reside in the Capital city. The Redistribution Committee itself was composed of three rural, two urban, members.

More Steel Plants?: Shelving of the St. Lawrence Seaway project might prove a boon for Nova Scotia, Opposition (CCF) Leader Russell Cunningham believed. With development of iron ore deposits in Labrador, he argued this province would be the logical location for large Canadian and U. S. firms to establish steel plants. Completion of the seaway, however, would have meant diversion of the ore further inland.

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Prince Edward Is.

Boost Phone Rates?: Decision of the Public Utilities Board, on an application by the Island Telephone Co. for permission to increase rates in Charlottetown, was still pending. Last July the company had predicted it would operate in the red during 1947. At a resumed hearing before the Board, however, figures showed a $49,000 profit, before 3% dividend. To this, the company replied that it planned to spend $500,000 on plant expansion in the next two years; insisted that stock and bond issues to cover this program, would not be marketed, without assurance of adequate income by way of increased rates.

Housing Project Folding: The project under which 100 Island families were housed at the former Charlottetown airport was likely to fold up in September. The present agreement with Central Mortgage & Housing Corp. expires then, and the legislature was told that deterioration of buildings, and wear on heating equipment, makes operation through another winter, questionable. Operating costs, balanced against revenues, left a deficit of $8,200 on 20 months' operations, of which the province was to defray half.

BUSINESS THIS WEEK

	APR.	MAR.	FEB.	JAN.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dominion total revenue	....	....	....	244.3	256.6
Dom. total expend.	....	....	....	149.2	171.3
MERCHANDISING					
Dept. store sales index no. (1)	....	....	195.1	192.3	189.3
Retail sales index (no.)	....	....	198.7	211.8	183.1
●Wholesale sales index (no.)	....	....	229.5	244.6	231.4
FINANCE					
●Dividend payment index (5)	195.1	194.5	193.4	192.9	139.3
Bank debits	....	....	....	246.8	226.3
Money supply (millions $)	....	....	....	7,479	7,545
NEWSPRINT CAPACITY					
●Production ratio	....	99.1	99.1	98.6	101.8
●Shipment ratio	....	97.3	95.5	92.1	102.1
RAILWAY FREIGHT LOADINGS					
●Tons (D.B.S.)	....	226.6	186.3	210.1	205.7
●Cars (D.B.S.)	....	164.6	159.6	172.3	151.9
COST OF LIVING					
D.B.S.	....	150.8	150.1	148.3	128.9
EMPLOYMENT INDEX					
All industries	....	....	189.2	193.7	180.7
Manufacturing	....	....	200.5	199.9	193.9
Payrolls (June 1/41=100) (2)	....	....	185.4	178.2	160.7

	1948	1947	1948 Jan. 1 to date	1947 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
●Carloadings (week Apr. 10)	77.9	71.3	1,081.3	1,022.9	+5.7
C.N.R. gross rev. (Feb.)	34,017	31,068	68,019	63,926	+7.0
C.N.R. net rev. (Feb.)	—732	570	—1,293	1,401	—192.3
C.P.R. gross rev. (Jan.)	24,926	23,359	24,926	23,359	+6.7
C.P.R. net rev. (Jan.)	103	187	103	187	—44.9
IRON AND STEEL (000's omitted) (Feb.)					
Pig iron production (tons)	151.1	150.6	311.2	327.9	—5.1
Steel production (tons)	239.6	229.2	496.4	479.0	+3.6
CONSTRUCTION (000's omitted)					
Contracts awarded (Mar.)	51,350	38,353	128,800	136,516	—5.9
Cement prod., bbls. (Jan.)	1,008	853	1,008	853	+18.2
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Feb.)	1,799	2,212	3,688	4,690	—21.4
Flour exp., bbls. (Feb.)	770	1,231	1,761	2,610	—32.5
Wheat exp., bush. (Feb.)	7,280	8,101	18,781	22,299	—15.8
●Cattle sales (Mar.) (4)	124.0	89.4	383.9	306.5	+25.2
●Hog sales (Feb.) (4)	571.6	344.9	1,626.8	1,050.3	+54.9
SEA FISHERIES (000,000 omitted)					
Catch, lb. (Feb.)	99.4	15.9	209.6	104.4	+107.6
Landed value $ (Feb.)	1,694	535	4,141	2,355	+75.9
NEWSPRINT (000's omitted)					
●Production (Mar.)	388	372	1,104	1,084	+1.9
●Exports, tons (Mar.)	381	374	1,060	1,038	+2.1
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Feb.)	1,151	1,136	2,537	2,837	—11.9
Gold prod. (fine oz.) (Jan.)	274	234	274	234	+17.0
Petroleum prod. (brl.) (Jan.)	776	598	776	598	+29.8
ELECTRICAL POWER OUTPUT (000,000's omitted) (Jan.)					
Total monthly kw.h.	3,499	3,589	7,253	7,440	—2.9
FOREIGN TRADE (millions of $)					
Imports (Jan.)	182.2	177.1	388.2	350.9	+10.6
Exports (Feb.)	208.3	179.5	443.7	388.1	+14.3
FINANCE (millions of $)					
Bank debits (Feb.)	5,581	6,597	12,042	11,813	+1.9
Bond sales (Mar.)	880.8	826.1	1,641.8	1,572.4	+4.4
●Life insurance sales (Feb.)	101.5	100.2	200.5	201.6	—0.6
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod. (Jan.)	2,451	3,132	2,451	3,132	—21.8
Cigarette cons. (no.) (Feb.)	1,262	1,209	2,600	2,456	+5.9

(1) Base period 1935-39=100.
(2) All industries.
●New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

J. A. ECCLES

has been appointed a vice-president of the Royal Trust Co.

It's Your Money

By BRUCE MacKINNON
Maclean-Hunter Editorial Research

Last week we pointed to some of the increases in government spending which have resulted from the program of import restrictions. The additional taxes are, however, only one of the ways in which controls affect your pocketbook.

One of the most important effects has been the drop in the buying power of the Canadian dollar. Since import controls went on, the drop in dollar buying power has been swifter in Canada than in the United States.

A comparison shows that the cost of living has risen 25% more in Canada; the cost of food has risen 32% more and the cost of clothing has risen 129% faster in Canada than in the United States.

This comparison only covers the first two months of controls. There is every indication that later figures will confirm this trend, particularly in clothing, where restrictions are expected to bring further sharp increases (The Financial Post, April 17, 1948).

Yet one of the reasons Ottawa gave for imposing control was that the alternative, of letting the dollar find its own level, would bring price increases.

Government and Corporation Securities

Enquiries Invited

A. E. Ames & Co.
Limited

Business Established 1889

TORONTO MONTREAL WINNIPEG VANCOUVER
VICTORIA NEW YORK LONDON, ENG.

ANNOUNCEMENT

Gavin Henderson Galleries

Formerly of 26 Grenville Street, have taken over the business known as "Roberts Art Gallery" together with their expert framing staff and have moved their premises to 759 Yonge Street, just north of Bloor.

For more than 100 years the Roberts Art Gallery has been synonymous with fine quality frames. It is our privilege and wish to continue the tradition that has made their name throughout the Dominion a hall-mark of quality and craftsmanship.

- Contemporary and Early Paintings of the Canadian, British and European Schools
- Modern and Period Framing, Hand Carved Frames, Exclusive Designs
- Old Frames Repaired, Refinished, Modernised
- Expert Picture Restoration

Our framing shop is equipped to give you prompt, courteous and efficient service.

Gavin Henderson Galleries
759 YONGE STREET
Just north of Bloor. Kingsdale 3368

$150,000,000

Goes to market

Headline news came out of Ottawa recently with the Government's announcement of a 20c increase in the initial wheat payment, from $1.35 to $1.55 a bushel, retroactive for the 1945, 1946 and 1947 crops. Payments began April 1st.

In terms of cold cash, this means more than $150,000,000 in extra money is going into the pockets of Canada's Prairie farmers!

Here's MORE prosperity for an already prosperous market and more reason why it will pay you to advertise to the farmer NOW while he is in the mood to listen and has the means to buy . .

Reach him through a FARM paper like the Family Herald and Weekly Star — the only publication providing powerful circulation that can be used nationally — or geared to separate campaigns for Western or Eastern Canada.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

188,830 SQ. FEET IN 64 DAYS

*Quonsets**

solve a building problem for the Scio-Ohio Pottery Co.

When fire destroyed the plant buildings of the world's largest manufacturer of white pottery, Quonsets solved the problem of rebuilding.

In just 64 days, the Scio-Ohio Pottery Company was "back in business."

The new plant encompasses 188,830 square feet of floor space—an 11% increase in production facilities. Basic buildings are straight sidewall Quonset Multiples, adapted to specific needs through the flexibility of Stran-Steel framing. Other plant buildings are also framed with Stran-Steel nailable members.

Do you have a building problem? Quonsets will meet your needs : : : in less time, at less cost. A wide range of basic Quonset buildings provides unlimited variations and combinations in fire-resistant, permanent structures.

Call your local Quonset dealer, or write direct for his name and address.

SEE WHAT YOU GET IN QUONSETS
Sturdy Construction • Faster Erection
Fire Resistance • Highest Quality Material
Greater Adaptability • Lower Maintenance Costs
A 1948 Building Near 1938 Prices

*REG. U.S. PAT. OFF.

GREAT LAKES STEEL CORPORATION
Stran-Steel Division
Dept. 63 • Merrill Building • Toronto, Ontario
UNIT OF NATIONAL STEEL CORPORATION

STRAN STEEL FRAMING

You're in business in Less time at Less Cost with Quonsets!

Here's Report by The Post's Editor On the Comeback Holland Is Staging

(Continued from page 1)

German. It never brings anything but a dirty look.

At a big house party, a famous Continental theatrical star volunteered to sing a few songs for her fellow-guests. She sang French, Netherlands, English theatre songs, then casually started one in German. There was immediate booing, cries of "stop, stop," before she had sung three bars.

Industrial Utopia

Labor, peace, and the excellent relations between management and labor, make Holland outstanding in the western world. Not since the liberation has Holland had one important strike. There have been a few small strikes in the Communist union, nothing else.

Why? First of all, working conditions in industry generally are good. Wages are lower than in Canada, but, through his company and through the state the worker gets a lot of benefits which give him a pretty satisfactory standard of living.

The Netherlands character, sturdy, independent, thoughtful, unemotional and self-reliant, is another important factor.

But perhaps the most important reason for social peace is that the labor racketeer has never got into business in this country. "Here, both sides want peace. And labor leaders know there is only so much that can be paid out in wages if jobs are to remain. That's the big difference between here and North America." So one manufacturer expressed it

Holland has four unions only, all operating nationally: Catholic, Protestant, Communists and a General Liberal Union, for those liking none of the others. The Communist is far the smallest, and, I am told, both in labor and in politics Communism is rapidly losing ground.

"Communism Dying Fast"

"In social security and standard of living we give now what Russia promises 100 years from now," one official said. Our people are pretty well informed. They've experienced slavery under Germans. They saw what happened to Czechoslovakia. Communism here is dying fast."

The Stichtung van den Arbeid is an important organization in fostering labor peace. It is a voluntary association—quite outside the government—composed of representatives of business and of labor. It has a big, permanent staff and gets almost the full-time attention of Mr. Stikker, head of the world-girding Amstel brewing corporation.

In frequent meetings, employer and labor representatives tackle promptly, unofficially, and on the basis of facts carefully assembled by the Stichtung staff, the manifold big and little frictions that may arise. Among businessmen and officials with whom I have talked all consider the Stichtung has made an immense contribution to the common welfare.

I quote one big manufacturer: "Before the occupation, the separation between the classes was pretty definite. But not now. It was working together in the underground that did it. That sort of dangerous business brings people pretty close. All of us learned a lot about one another. It also taught us a lot about what the really important things are in a job and in life."

Willing To Work Hard

One reason for Holland's astounding recovery is that her people are willing to work and to work hard. Right now, there is some complaining that Netherlanders aren't working as hard as they should.

"Labor productivity isn't yet up to prewar," I was told. "Part of it is machinery and equipment that we haven't yet been able to replace. Most of it is because during the occupation we spent all our time trying to cut down productivity—go slow, go slow, was the order all the time. After promoting inefficiency and laxity for four years to hurt the Germans, now we are having a little trouble promoting efficiency and hard work to help Holland."

But industry is going at high speed, and constantly faster. The general index of industrial production (1938=100) was 73 in 1946; is now well over 100.

An industrial development program of immense proportions is now under way here. Primarily a commercial and agricultural nation before the war Holland now believes an enlarged industry is her only hope for reasonable prosperity.

One important reason is the swift increase in the population of this already overpopulated country. Agriculture cannot support any more people. Because of Holland's interest in modern farming methods to raise productivity, the trend rather will be toward fewer in agriculture and an increase in the size of farms, to permit use of power equipment.

Hence it is to expanded and new industry that Hollanders look for jobs to support the extra million people their tiny country will have in about 30 years.

A Crowded Country

This is the most thickly populated area in Europe. There are over 10 millions packed in these 13,514 square miles—(about one-sixth the area of Britain). But to a visitor it never looks crowded. True, it has many big cities, very close together. True, magnificent use is made of almost every available rod of ground. But it is a superb looking country. The cities here make Canadian cities look extraordinarily dirty and slovenly. Dutch visitors must think we are messy, dirty people.

In Canada there is a lot of eager fussing about town planning; but I have never been able to see that anything very important has been achieved.

Here they have been town-planning on a wide and eventful scale for generations. The result in maintained property value, in convenience for getting around and doing business, for pleasant living and recreation, is everywhere apparent. Even in the extremely dense little corner of Holland which has Amsterdam, Haarlem, the Hague and Rotterdam, where live about a quarter of the entire population, there is much parkland for recreation.

This is also the place to see housing schemes with long experience behind them. More than half the Hollanders own their own dwellings. The rest live in varied circumstances, but most in large blocks of handsome-looking flats. Many are co-operatives. In some cases the tenant buys outright the apartment in which he lives. There's a big housing shortage now; but industry has top priority on available materials and labor. Making jobs, staving off national bankruptcy, is still the nation's chief preoccupation.

Accept "Planning"

A visitor can't properly judge how the people like the present "austerity program" of the Government and its very broad-scale "planning." Holland is indeed the "planned" economy. The Minister of Finance is an ex-economics professor and one of the ardent Socialists in the coalition (Catholic — Socialist) Cabinet. He is amply armed with power to do almost anything.

Because of the national discipline, because every home experienced the terror of war, there is, perhaps, a disposition here to accept government "planning" to a degree indigestible for most Canadians.

The fact is, however, that price and wage control here worked remarkably well; much better than in the United States, apparently just about the same as in Canada. Today the prices of a couple of dozen things I sampled are (converted at the official exchange rate) remarkably close to Canadian prices. Futhermore, the price increase since prewar is in the same compass as the Canadian. Income taxes seem to be about the same as ours. Black markets are insignificant. What there are, I suspect, are almost deliberately overlooked by officialdom to provide a safety valve.

These people were literally starving back in 1944. For an eight-month period, the sole hope for a city person to fill his stomach was to push his bicycle or barrow far out in the country and barter his clothing and his possessions with the farmers.

Today, the average official diet of the Hollander is about the same as that of the Englishman. Meat, milk, eggs are extremely short. The clothes ration is tight, amounting to one fair suit per year for a man. That consumes his entire clothing ration, so it means a suit about every three years.

There are no imported fruits such as oranges. The visiting Hollanders at the Royal Netherlands Utrecht Fair were bug-eyed at the wealth of textiles, cheese and other things on display. For them these things haven't been known for years. They are for export only.

Dollar Shortage Again

Like Canada, Holland enjoys prosperity of a doubtful kind. But behind most of the rules and rationing, and much government legislation lies "the dollar shortage."

They talk about it as much here as we do in Canada. Had the Marshall Plan been delayed a few more months, Holland probably wouldn't have gone broke, but its government would have had to cut imports drastically, with direct effect on the diet of the people.

Now that the Marshall Plan is going through, Holland officials are hopeful that they may bail themselves out of their crucial position in about three years—provided the international political weather stays fair. Their export possibilities are constantly growing. Textiles to Canada, in big quantities, is one major new export they talk about. Their cost-price picture generally is good. They will be extremely tough competitors in any market they try to enter.

I have said that this is a government run by people completely sold on "planning." I've asked many businessmen how they feel about it. The gist of their answers adds up to this: They don't like regimentation. But they think there is no present alternative. One said:

"There's too much theory behind our present system, and with some of it, I don't agree. But this Government is achieving a lot of things that had to be done. I don't know how else anybody else could do it.

"Socialism here is a very different thing to Socialism in England. The real difference between government in Britain and Holland, I think, is that here we have people who want as much individual enterprise and as little state enterprise as possible. In England, it seems to be reverse. If there's something the state can do well, we let the state do it, and we don't worry about the theories; we just try to get along the best we can."

On the other hand, I met one prominent businessman, senior executive of a state-owned enterprise. He had just resigned because he "was fed up" with government enterprise; wanted to get into "real" business, free of all the fetters of bureaucracy.

In talks with many people from the Prime Minister down, I find the consensus is that the present Government will be returned but that there will be considerable reduction in its leftist elements.

"Mr. King invited me to come to Canada; perhaps I will, after the elections," Prime Minister Beel told me. He's an ascetic, jut-foreheaded man. Well educated, his whole career has been in government administration. His Minister of Economic Affairs is probably the youngest and biggest man in any European cabinet. He's about 33, looks to be about 6 ft. 6 in. high.

Holland's postwar problem is not only reconstruction of war damage to homes, roads, bridges, factories and particularly to her railways.

The nation's trade must undergo fundamental re-orientation. The two main props of the national economy are, for the present at least, knocked out: the East Indies and Germany. To the Indies went her manufactured goods. From Germany came industrial raw materials, to Germany went vegetable products. The value and accessibility of materials and markets in Germany and beyond the iron curtain is dubious.

The "liberation" of the Netherland East Indies is also widely regarded here as a very serious shock to national economy, though some I have talked with think that through the know-how of her traders, Holland will still be dominant in that market.

Incidentally, I hear much bitter criticism here of British policy in the Indies business. Many say Britain fostered the "liberation," failed to take the action necessary to prevent the theft of tens of millions of dollars worth of Netherland property. Others say that that in such circumstances, with the shoe on the other foot, Holand's policy would have been the same as Britain's.

CANADIAN BREWERIES LIMITED APPOINTMENTS

G. M. BLACK, Jr. — M. J. KELLY — C. S. WATSON — W. E. MULHOLLAND — D. S. FORSYTH

D. C. Betts, President, announces the following appointments:—Geo. M. Black, Jr., Assistant to the President to be Vice-President and General Manager of the Brewing Corporation of America, Cleveland, Ohio, a subsidiary of Canadian Breweries Limited; M. J. Kelly, General Manager, Canadian Breweries Transport Limited, to be Vice-President—Administration, Canadian Breweries Limited; C. S. Watson, Director of Public Relations to be Vice-President—Public Relations; W. E. Mulholland and D. S. Forsyth to be Manager and Assistant Manager, respectively, of Canadian Breweries Transport Limited. *

STEEL PLATE WORK

PROMPT DELIVERY

CHAS. MAGEE & SONS LTD.

PORT COLBORNE, ONT.

The owners of this concrete trestle bridge found that extensive repairs were necessary to protect and prolong its useful life. The problem was two-fold. (1) The bridge was very high, making it difficult to reach the damaged areas economically. (2) The defective concrete had to be removed completely and replaced with a sound, dense material which would adhere to the original concrete and at the same time contribute to the strength of the bridge.

We are proud that our organization and processes were chosen to do this work, according to specification and on time.

Quotations on request

GUNITE AND WATERPROOFING LIMITED

Toronto MONTREAL Halifax

Incorporated 1931

1792 1948

TO EXPORTERS

THE time is rapidly approaching when you will be in a position to fill all your export orders. World conditions have changed and it is essential that you review your ocean marine insurance requirements, and make any necessary changes well in advance of future shipments.

Because competition for export trade is becoming keen, it is well to remember that insurance matters properly handled by the exporter will do a great deal to promote goodwill and advance foreign trade.

Insurance of merchandise designed for foreign markets requires a wealth of experience to be handled properly. Such experience is not common. The "North America" has been dealing with ocean marine insurance for 156 years. Our experience is available to manufacturers, merchants and shippers who wish to take advantage of it.

Periodically we issue bulletins giving useful information to ocean marine shippers; and it would be to your advantage to ask your Insurance Agent or Broker to secure for you copies of these bulletins from time to time. May we also suggest that you have your Broker or Agent negotiate with us promptly in regard to your export or import insurance requirements.

INSURANCE COMPANY OF NORTH AMERICA COMPANIES

CANADIAN HEAD OFFICE—TORONTO

FIRE • MARINE • CASUALTY

Service Offices throughout Canada

INSURANCE COMPANY OF NORTH AMERICA
THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA
INDEMNITY INSURANCE COMPANY OF NORTH AMERICA
PHILADELPHIA FIRE AND MARINE INSURANCE COMPANY

How to get the world's second-best advertising . . .

THE BEST ADVERTISING in the world is word-of-mouth advertising — a wholehearted recommendation, given personally, by a satisfied user.

Only your product can give you that.

But Young & Rubicam aims to give each of its clients the world's next-best advertising.

And in the opinion of a large number of successful advertisers succeeds in doing so.

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Public Utilities . . .

The basic nature of public utility enterprises, meeting as they do the needs of the public for power, heat, light and transportation, makes the bonds of such companies among the safest and most attractive available. We shall be glad to answer enquiries regarding such bonds, and to recommend specific securities of this character.

QUEBEC POWER COMPANY
3% First Mortgage and Collateral Trust Sinking Fund Bonds
Due September 1, 1962
Price 97. and interest yielding 3.27%

DOMINION SECURITIES CORPN. LIMITED
Underwriters and Distributors of Investment Securities since 1901
TORONTO MONTREAL OTTAWA WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
LONDON HAMILTON KITCHENER QUEBEC HALIFAX SAINT JOHN

WESTERN SAVINGS & LOAN ASSOCIATION
HEAD OFFICE, WINNIPEG
BRANCH OFFICES
Agency Building, Edmonton, Alta. McCallum-Hill Building, Regina, Sask.
221 A-8th Ave., W., Calgary, Alta. 407 Avenue Building, Saskatoon, Sask.
1 Royal Bank Building, Brandon, Man.

Extended Service in Vancouver

In line with our policy of improving our service to investors, we have purchased a seat on the Vancouver Stock Exchange. We can now give fast quotation service and prompt execution of orders on this Exchange. In addition to these extended services in Vancouver, a direct private wire system connects all our offices from coast to coast and keeps them in constant communication with Montreal, Toronto and New York security markets. Investors are invited to make full use of our nation-wide facilities — each of our Branches offers a complete investment service.

Hugh Mackay & Company
Members: Montreal Stock Exchange
Montreal Curb Market
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Montreal • Halifax • Saint John • Ottawa • Cornwall • Toronto • Vancouver • London, Eng.

These debentures having been sold, this advertisement appears as a matter of record only.

NEW ISSUE

$2,000,000
Province of Prince Edward Island
3% Debentures

To be dated: May 1st, 1948 To mature: May 1st, 1955 and 1958

$1,000,000 Debentures maturing May 1st, 1955
Price: 99.75 plus accrued interest to yield 3.04%.

$1,000,000 Debentures maturing May 1st, 1958
Price: 98.50 plus accrued interest to yield 3.18%.

Legal Opinion - J. O. C. Campbell, Charlottetown, P.E.I.

Harrison & Company Limited — F. J. Brennan & Company Limited — Midland Securities Limited
Anderson & Company — W. C. Pitfield & Company Limited — Gairdner & Company Limited
J. L. Graham & Company Limited

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CONSOLIDATED LITHOGRAPH MANUFACTURING CO. 1947 net profit was up 14.8%. In many respects the year may be considered the most successful in company's history, president C. W. MacLean states. A record sales volume helped to absorb higher labor and material costs.

Capital expenditures amounted to $101,765, representing purchase of additional equipment ($37,352) and payments made to end of Dec. 1947 ($64,413) against the cost of constructing an extension to the company's buildings to provide additional manufacturing and office space. It is estimated approximately $40,000 will be required to complete this extension.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$303,906	$271,300
Less: Depr.	34,336	29,736
Pension fund	12,361	......
Taxes	111,217	114,248
Net profit	146,093	137,316
Less: Pref. divds.	......	12,071
Com. divds.	67,800	31,650
Surplus for year	78,293	86,665
Earnings per Share* and Dividend Record:		
Common: Earn.	$2.43	$2.12
Paid	0.88+0.25	0.19

*Based on present capitalization; pref. redeemed in 1946.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$36,728	$100,580
Accts., etc., rec.	104,708	75,365
Mkt. invests.†	344,553	356,386
Inventories	326,671	249,442
Total curr. assets	806,684	781,813
Prep. & def. chgs.▲	48,326	49,309
Fixed assets*	237,835	170,306
Total assets	1,093,015	1,001,428
Total curr. liabs.	121,236	112,440
Capital stock	100,000	100,000
Capital surplus	53,397	48,862
Earned surplus▲	818,288	740,096
†Market value	355,096	370,719
*After depr. of	453,131	421,880
▲Incl. ref. EPT	29,216	29,216
Working capital	685,424	669,373

GRANBY ELASTIC WEB OF CANADA 1947 net profit was off considerably from 1946. Although sales volume was maintained at approximately the same level, increased production costs, including wages and raw materials were not entirely offset by increased selling prices, President P. Horace Boivin states. An added difficulty was the changeover from use of synthetic rubber to natural rubber which became available in increasing quantities.

Capacity of plant and equipment was increased by addition of several modern rubber yarn machines, modern automatic weaving machines and finishing equipment. Management feels that with additional modern equipment put in during 1947, turnover should be materially increased in the current year.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$121,521	$169,860
Less: Deprec.	71,534	65,361
Bond int.	10,583	......
Inc. tax res.	20,300	46,000
Add: Invest. prof.	518	8,594
Asset sale	759	......
Net profit	20,381	67,093
Less: Pref. divds.	......	5,727
Com. divds.	7,500	15,000
Surplus for year	12,881	46,366
Earnings per Share and Dividend Record:		
Pref.▲: Paid	....	$1.38
Common	$0.68	2.65
Paid	0.25	0.50

▲Redeemed May 1, 1946.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Accounts rec.	$254,454	$266,173
Investments*	......	19,066
Inventories	446,033	447,988
Total curr. assets	700,507	733,227
Investments	22,100	22,002
Ref. port. EPT	8,330	14,750
Fixed assets‡	599,648	537,636
Total assets	1,330,483	1,307,615
Bank overdraft & in.	121,719	78,165
Accts., tax., etc., pay.	139,612	148,177
Total curr. liab.	261,331	226,342
Funded debt	300,000	325,000
Reserves	35,000	35,000
Capital stock	317,501	317,501
Capital surplus	2,410	73,969
Distributable surp.	46,269	46,269
Earned surplus▲	367,974	283,543
▲Incl. ref. EPT	14,750	14,750
‡After deprec. of	508,568	440,242
*Market value	......	19,690
Working capital	439,176	506,885

CONSOLIDATED TEXTILE MILLS 1947 net profit was $202,947 compared with $66,224 for the eight months period ended Dec. 31, 1946. Construction of company's new mill in Joliette, Que., was completed in November when installation of some of the auxiliary machinery took place. Installation of new looms, purchased as far back as 1943, commenced the following month. The new mill is now completely equipped and operations are now in excess of 50% of capacity with expectations that the plant will reach 100% by end of April, 1948.

Company now has the latest and best type of automatic machinery available, which will increase efficiency and volume, lower cost and produce better quality cloth, President J. M. Bornstein states. Company's products continues in strong demand and prospects are good for 1948, it is stated.

CONS. INCOME ACCOUNT

	12 mos. ended Dec. 31 1947	8 mos. ended Dec. 31 1946
Net earnings	$436,782	$149,487
Less: Depr.	37,187	9,198
Bond int.	1,409	......
Income taxes	195,299	74,065
Net Profit	202,947	66,224
Less: Pref. divds.	19,850	9,850
Pref. s.f.	5,455	......
Surplus for year	177,642	56,374
Earnings per Share and Dividend Record:		
Preferred	$10.36	$3.31
Paid	1.00	0.50
Common	3.55	1.13
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$285,597	$211,826
Accts., etc., rec.	117,642	99,980
Inventories	288,052	177,821
Total curr. assets	691,291	489,620
Prep. exp., etc.§	13,676	8,973
Misc. assets‡	41,420	30,468
Fixed assets*	460,701	149,342
Rts. & t'marks	2,567	2,567
Total assets	1,209,655	680,979
Bank loan	50,000	......
Accts., tax, etc., pay.	320,349	171,618
Total curr. liabs.	370,349	171,618
Funded debt	150,000	......
Pref. s.f.	150	......
Capital stock	444,000	450,000
Capital surplus	16,061	......
Earned surplus‡	229,118	59,361
*After depr. of	262,817	230,778
‡Incl. ref. EPT	24,993	24,993
§Incl. in curr. assets in co's. report.		
Working capital	320,942	318,011

SOUTHMOUNT INVESTMENT CO. 1947 net profit was off sharply at $15,156 ($165,028). Revenues were $139,868 less than in the previous year. This is due, in part, to the fact that the company received no dividends on shares of Keystone Transports Ltd. and that other investments were sold and proceeds used to buy securities of lower yield. Corporate expenses increased by $9,384.

Because of various special circumstances, it has been decided that the best interests of shareholders would be served by not making a dividend payment at this time.

Nothing has been decided yet in regard to company's 510 shares of Keystone Transports purchased from Montreal Light, Heat & Power Consol.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Dividends rec.	$11,960	$165,778
Interest rec.	25,886	11,986
Less: Expenses	17,490	8,106
Income taxes	5,200	4,600
Net profit & surp.	15,156	165,028
Earned per share	$0.0054	$0.087
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & call loan	$797,691	$89,170
Accts., etc., rec.	232,446	315,114
Prep. exp.	192	......
Mkt. secs.†	1,027,473	1,522,252
Inv. in sub.	306,000	306,000
Total assets	2,363,802	2,232,536
Accts. & tax pay.	5,398	107,924
Capital stock	1,391,600	1,391,600
Capital surplus	369,607	150,971
Earned surplus	597,197	582,041
†Market value	1,032,441	1,877,400

NORTH STAR OIL 1947 net profit was up 44%.—During the year considerable improvements were made in handling facilities to take care of increased business. The rising demand for petroleum products has kept the costs of crude high and supplies uncertain, the annual report states.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$673,101	$617,143
Less: Deprec.	276,723	253,036
Inc. tax res.	160,000	200,000
Net profit	236,378	164,107
Less: Pref. divds.	87,500	70,000
Surplus for year	148,878	94,107
Earnings per Share and Dividend Record:		
Preferred	$1.18	$0.82
Paid	0.34+0.08¾*	0.35
Common	0.83	0.47
None paid.		

*Arrears.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$81,120	$84,462
Accts. rec.	501,126	379,625
Inventories	2,090,898	1,501,018
Total curr. assets	2,673,144	1,965,105
Prep. exp., etc.§	18,520	33,434
Ref. EPT	34,000	34,000
Fixed assets*	2,331,093	2,003,744
Total assets	5,056,757	4,036,283
Total curr. liab.	2,402,303	1,530,707
Capital stock	1,200,000	1,200,000
Capital surplus	565,738	565,738
Surplus▲	888,716	739,838
*After depr. of	2,783,762	2,978,518
▲Incl. ref. EPT	34,000	34,000
§Incl. in curr. assets in co's. report.		
Working capital	270,841	434,398

CLAUDE NEON GENERAL ADVERTISING 1947 net profit was off 31.6%. While volume of business showed an increase it was controlled as to extent by continued shortage of some essential parts and materials, especially steel. Net revenue was less than could have been expected due in part to increased costs of material and labor required for the maintenance of displays under long-term contracts at fixed prices, President W. T. Sutton states. Directors hope that these increased costs have reached their peak and that the coming year should show an improvement in net profits.

City of Montreal has served the company with notice of its intention to expropriate company property at Sherbrooke and St. Urbain Sts. Proceedings are at present before the court.

PROFIT AND LOSS ACCOUNT

Years Ended Dec. 31:	1947	•1946
Net earnings	$96,653	$106,190
Less: Deprec.	63,554	61,496
Bond interest	11,602	11,602
Income taxes	7,917	13,237
Net prof. & surp. for yr.	13,580	19,855
Times Bond Interest Earned:		
After depr.	2.85	3.85

•Consolidated accounts, but excluding E. L. Ruddy Co. earnings.

Earnings per Share and Dividend Record:		
Pref.: Earned	$0.58	$0.84
Common	d0.36	d0.34
None paid on either stock.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	•1946
Cash	[illegible]	$29,791
Accts. rec.	49,665	41,811
Inventories	83,831	58,672
Total curr. assets	143,184	130,274
Invest. in subsid.	994,530	975,230
Misc. assets	125,345	150,233
Fixed assets*	298,527	332,205
Total assets	1,561,556	1,587,942
Accts. & tax. pay.	61,519	128,819
Accr. bond int.	241,521	229,919
Total curr. liab.	303,040	358,738
Funded debt	178,300	178,500
Capital stock	2,785,094	2,785,094
Deficit	1,705,078	1,734,390
*After depr. of	580,887	518,633
•Consolidated accounts, but excl. E. L. Ruddy Co.		
Deficit work. cap.	159,856	228,464

HIGHLAND-BELL earned a profit of 9.8 cents a share in 1947 compared with 7.6 cents a share in 1946. President K. J. Springer reports that a further increase is anticipated in 1948 if the price of silver continues at the present level.

Silver production rose to 605,705 oz. in 1947 (412,646 oz. in 1946) despite a drop in average grade of ore handled from 175 oz. to 118 oz. per ton. Mining of lower grade ore prior to opening of new ore at No. 7 level accounted partly for drop in average grade. More mechanized mining also resulted in treatment of a lower grade but this was more than offset by a drop in costs.

Outstanding feature of the year was the ore opened above the 7th level east of the major fault and north of the dike.

While no estimate of ore reserves is made due to the variable nature of the lode, Mine Manager P. L. Clark reports that the position of the mine has been considerably strengthened with respect to ore reserves over a year previous.

Shareholders' approval is sought for purchase of 33,333 shares of Halport Mines for $5,000.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Production	$458,367	$336,439
Less: Oper. exp.	133,646	147,053
Adm. & gen. exp.	10,774	18,676
Oper. profit	313,947	170,710
Add: Oth. inc.	2,623	2,779
Net earnings	316,570	173,489
Less: Depr.	32,780	10,128
Expl. & dev.	84,894	......
Inc. taxes	55,211	44,000
Net profit	158,085	119,361
Less: Divds.	78,293	78,293
Surplus for year	75,392	41,068
Earnings per Share	$0.098	$0.076
Paid	0.05	0.05

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$201,450	$136,871
Dom. bonds	40,300	62,223
Accts. rec.	36,315	32,299
Supplies	12,791	10,227
Total curr. assets	290,856	241,620
Invests.	5,000	......
Def. chgs.	3,985	4,102
Mining props.	1,613,329	1,615,579
Real estate	1,475	1,225
Option pay'ts.	5,500	9,950
Bldgs. & mach.*	142,971	108,978
Total assets	2,063,116	1,981,454
Accts., tax, etc., pay.	48,305	37,232
Divd. pay.	78,293	78,293
Total curr. liabs.	126,598	115,525
Capital stock	1,565,856	1,565,856
Earned surplus	370,662	300,073
*After depr.	49,081	26,301
Working capital	164,258	126,095

LEO COX

of Montreal, has been elected a director and appointed a vice-president of Walsh Advertising Co.

PURDY MICA MINES located interesting ore structure through drilling Oslund, Hermiston, Bond property in Groundhog River area, Ont., in 1947, but values were not of sufficient importance to warrant further expenditures. Option was allowed to lapse on property of Calmor Mines after initial hole was drilled. No further work was done on Eauclaire twp. mica claims. Current assets were $150,681 and current liabilities $95 at Dec. 31, 1947. Net loss for year was $12,677.

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Court Rules No 'National Emergency' Wheat Board Order Held Ultra Vires

From Our Own Correspondent

WINNIPEG—The grain trade is buzzing with the possibility of repercussions from an important court judgment.

All but 40,000 bushels of barley had been surrendered to the Canadian Wheat Board under order-in-council 1292 when, in a far-reaching judgment this week, the order was declared ultra vires and invalid.

Much of the grain had been surrendered "under protest," and the protesting companies now want to know whether they have any right of recovery.

Others who complied without protesting wonder whether they have any right to seek reversal of the transaction.

The 40,000 bushels of barley which had been held in defiance of the government order formed the subject matter of litigation before Chief Justice E. K. Williams of the Court of King's Bench of Manitoba. His Lordship:

1. Dismissed with costs the action of the Canadian Wheat Board against Hallet & Carey demanding surrender of this barley.
2. Declared ultra vires and invalid Order-In-Council 1292 under which the demand was made.
3. Dismissed the action of the Canadian Wheat Board against the owners of the terminal elevators where the grain involved was stored.
4. Awarded possession of the grain to Jeremiah J. Nolan of Chicago, for whose account the grain had been carried by Hallet & Carey.

(In view of the issues, Ottawa reports it's practically certain the Canadian Wheat Board will appeal.)

Court Judgment

"The matters to be dealt with are of considerable importance and difficulty," the judgment said,, "and require careful study and analysis of decided cases.

"Counsel for the board (H. B. Monk) stated he based his submission that PC 1292 is intra vires on the ground it is authorized by the Transitional Act and that he did not intend to support it on any other ground. This fortunately limits somewhat the enquiry I have to make."

"PC 1292 purports to be passed under authority of the Transitional Act which came into force Jan. 1, 1946 and which was to expire unless addresses were presented for its continuance. Such addresses were presented and the act was continued in force to May 15, 1947.

"At the outset counsel for the Wheat Board advanced an argument which if sound has some rather startling implications.

"He first of all agrees that the court in considering validity of the Transitional Act may hear evidence on the question whether there is or is not a national emergency which would justify the passing of the act; and may also hear evidence on the question whether, if there was such an emergency it has or has not ceased to exist.

"He agrees also that the court may, notwithstanding the declaration in preamble of the act there is an emergency, decide there is not or that it has ceased to exist, if the evidence warrants such a finding.

"But when he comes to PC 1292 he reaches the startling point of his argument. It is that if the act is intra vires because there is a national emergency, no matter what that emergency may be, the court may not enquire if the Order-in-Council is valid, as the Governor-in-Council has declared that it is deemed necessary and advisable to enact the provisions therein contained.

"In other words such a declaration puts it beyond the power of the court to enquire into the validity of PC 1292. It is urged most vigorously that it is 'not pertinent to the judiciary to consider the wisdom or propriety of the particular policy which is embodied in the emergency legislation,' and that 'determination of the policy to be followed is exclusively a matter for the parliament of the Dominion and those to whom it has delegated its powers.'

"It is not necessary to give examples to show to what this argument would lead. It would confer on the Governor-in-Council powers without limit.

"After the most careful consideration, I have come to the conclusion that the argument is not only not supported by the authorities but is contrary to them."

Although holding that the National Emergency Transitional Powers Act of 1945 was intra vires, the judgment held the opposite with respect to PC 1292 and ruled it was ultra vires.

Evidence at the trial hearing was submitted both on behalf of Nolan and on behalf of Hallet and Carey that no national emergency existed with respect to oats and barley.

Nolan was allowed all costs of the action with the statutory bar on the limit of them removed.

New Gov't Annuities Rate To Save Taxpayers' Money

Premiums on Dominion Government annuities hereafter will be calculated on a lower assumed interest earnings basis and on a more up-to-date mortality table than in the past, Labor Minister Humphrey Mitchell anounced at Ottawa this week.

While the cost to the buyer of new annuities will be increased the move will put the whole annuities branch on a much sounder basis, and over coming years should save the Canadian taxpayers many millions of dollars.

The change is effective April 19 but does not affect previously existing government annuity contracts.

Premium rates will now be calculated on an assumed interest earnings basis of 3% instead of 4% in effect for some years. The mortality table now to be used will take into consideration the fact the average span of life has increased and that therefore the average annuity is payable for a longer period than formerly.

The new rate of 3% is still higher than that of 2½% on which the life insurance companies base their annuity rates (in some cases as low as 2¼%) and the Government will still continue to bear the cost of administration so that Dominion Government annuities still appear to have some advantages over the life insurance annuities as far as costs are concerned. But the two will now be much closer than before. Administrative costs last year were estimated at $578,000; $672,000 for 1948-49.

How Rates Compare

Males, annuity at 60, guaranteed 10 years

Age last birthday	Dom. Govt. annuity $100 a year old	Dom. Govt. annuity $100 a year new	Ins. Co. annuity $100 a year† Approximate
	$	$	$
25	16.76	23.04	25.15
35	29.63	38.21	41.10
45	61.63	74.91	80.16

†The insurance company quotes its rates on basis of $120 annual annuity. To get the rate for $100 comparable to the Dominion Government rates five sixths of the quoted company rate has been taken. The company annuity also has a cash value.

For years the Government has been criticized because it based its premium rates on a 4% interest rate, substantially above that at which the Government could borrow on the open market. It adhered to this 4% rate despite the steady fall in general interest rates, increased administrative costs, and improved mortality which meant that annuitants living longer had to be paid their pensions for longer periods. The result was deficit after deficit made good by the taxpayers. This burden on the general taxpayer should now be reduced although not wiped out altogether.

Nine years ago, in 1939, the Canadian Chamber of Commerce estimated that the Canadian Government annuities would cost the taxpayers $3 millions per year; that the annuities branch was not on a self-sustaining basis; that losses in the past had been substantial and that this condition was unfair to the public at large. Incidentally it may be noted that the general public which makes good the deficits of the annuities branch includes the life insurance companies whose business includes the sale of annuities in competition with the Government.

Unofficial reports say that under the 4% rate effective up to April 17, the Government was taking a loss of $3,370,000 annually. The theory was that the annuities branch would lend its funds to the Government at 4%. But for years the Government has been able to borrow money at around 3%. Hence if it pays the annuities branch 4% it is paying too much. But, if it does not actually pay that rate the Government must make it up by subsidy, because premium rates have been so low the fund must earn 4% if it is to meet its regular charges. It has been customary to transfer hundreds of thousands of dollars annually to maintain annuities reserves.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

REITMAN'S (CANADA) LTD. first annual report, for 1947, shows net earnings after taxes of $119,532, —49.9% higher than in 1946. A new high was established both in sales and profits, President Louis Reitman states.

Plans made in 1946 to remodel and enlarge nine stores brought increased sales to these stores. New stores were opened in Hull and Kingston, bringing total units in operation to 26. Further plans include two new units which have been leased, one in Oshawa and the other in Windsor. Four existing units in Toronto, Hamilton and Montreal are to be remodeled and enlarged. Prospects for 1948 are highly encouraging, Mr. Reitman states.

CONSOL. INCOME ACCOUNT

Years Ending Dec. 31:	1947	1946
Operating profit	$267,188	$191,913
Less: Deprec.	37,435	33,038
Income tax	110,221	79,152
Net profit	119,532	79,723
Less: Pref. divds.	10,475	......
Surplus for year	109,057	79,723
Earnings per Share and Dividend Record:		
Pref.: Earned	$5.82	$3.75
Paid	0.50	......
Common	1.64	0.97

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$485,992	$108,619
Accts. rec.	4,224	22,309
Inventories	282,980	507,241
Total curr. assets	778,196	638,169
Deferred chgs.§	11,667	6,753
Prepaid exp.	14,900	......
Refundable EPT	16,501	16,430
Fixed assets†	168,296	138,659
Total assets	984,560	800,011
Total curr. liab.	460,528	372,840
Capital stock	413,171	427,171
Capital surplus	1,375	......
Surplus▲	109,486	......
▲Incl. ref. EPT	16,501	......
†After depr. of	179,198	142,225
Working capital	312,668	265,329

*Pro forma, after giving effect to new acquisitions.
§Included in curr. assets in co's. report.

TOOKE BROS. 1947 net profit was off slightly at $111,687 ($118,893). Bank loan of $996,000 was up considerably from $684,065 but this was due in part to the substantial increase in inventories which rose to $1,163,031 from $752,558 at end of 1946. Prospects for 1948 continue encouraging, President H. H. Woodward states.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$260,724	$282,266
Les: Deprec.	49,257	34,862
Inc. tax res.	99,780	128,511
Net profit	111,687	118,893
Less: Divds.	48,000	33,724
Surplus for year	63,687	85,169
Earnings per Share† and Dividend Record:		
Common	$0.93	$1.01
Paid	0.40	1.15

†Based on capitalization after 4-for-1 split on April 30, 1947.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$16,393	$16,914
Accts. rec.	752,672	764,260
Investments	501	801
Inventories	1,163,031	752,558
Total curr. assets	1,932,597	1,534,533
Misc. assets▲	71,422	71,456
Fixed assets*	648,587	293,353
Goodwill	1	323,785
Total assets	2,652,607	2,223,127
Bank loan	996,000	684,065
Accts. & tax. pay.	283,392	247,839
Total curr. liab.	1,279,392	931,904
Conting. res.	50,000	......
Capital stock	1,131,695	1,110,095
Surplus†	191,520	181,128
▲Incl. ref. EPT	53,026	64,322
†Incl. ref. EPT.	53,026	53,026
*After deprec. of	192,887	477,693
Working capital	653,205	602,629

VANCOUVER MACHINERY DEPOT 1947 operations showed a net profit of $29,449, against a net loss of $73,254 in 1946. Net sales were $3,119,727. Working capital was up at $828,207 ($801,755).

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	‡1947	1946
Net sales	$3,119,726	$2,387,003
Net earnings	201,793	▲116,890
Less: Deprec.	61,876	52,502
Deb. int.	10,125	13,000
Income taxes♦	71,200	■92,611
Misc. chgs.	41,574	5,624
Add: Minority int.	4,890	3,545
Asset sale	7,541	18,606
Net profit	29,449	▲73,254
Less: Pref. divds.	22,000	11,000
Surplus for year	7,449	▲84,254
♦Incl. ref. EPT	......	....
Earnings per Share and Dividend Record:		
Cl. A: Earned	$0.74	d$1.83
Paid	0.55	0.27½
Com.: Earned	0.19	d2.38
None paid.		

▲Loss or deficit. ■Reduction of pre year's taxes. ‡9 mos. to Sept. 30.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	†1947	1946
Cash & Dom. bds.	$70,181	$1,595
Accts. rec.	503,838	604,248
Ref. EPT	41,343	......
Tax recov.	......	459,692
Inventories	1,592,715	889,258
Total curr. assets	2,208,077	1,954,793
Prep. exp.§	22,281	19,307
Misc. assets▲	285,594	230,925
Fixed assets*	713,987	716,970
Total assets	3,229,939	2,921,995
Bank advances	625,000	779,314
Accts., tax., etc., pay.	754,870	373,724
Total curr. liabs.	1,379,870	1,153,038
Deferred acct.	77,797	......
Funded debt	300,000	300,000
Min. int. in sub.	21,641	26,531
Capital stock	700,200	700,200
Earned surplus‡	750,431	742,226
*After depr. of	1,492,792	1,436,428
▲Incl. ref. EPT	209,895	166,605
‡Incl. ref. EPT	251,238	166,605
Working capital	828,207	801,755

†Sept. 30.
§Incl. in curr. assets in co's. report.

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STAR WEEKLY
LA PRESSE
SUNDAY LA PATRIE
THE STANDARD

THE BIG FOUR NATIONAL WEEK-END NEWSPAPERS OF CANADA

The Financial Post

Vol. XLII Publication Office: Toronto, April 24, 1948 No. 17

Netherlands Comeback

Post's Editor Reports on Utrecht Trade Fair

By RONALD A. McEACHERN

UTRECHT—There will be some 30 International Trade Fairs in Europe this year, but this Fair at Utrecht indicates that, because of their energy and determination, the Hollanders have a good chance of making theirs the dominant fair in Europe — like that of Leipzig in the old days.

The Utrecht fair just ended is an interesting demonstration of Holland's recovery from war, and of the vigor of its national drive to complete the recovery.

Because Canada this spring — for the first time in North America — holds an International Trade Fair, I was especially interested in seeing how one of these things operates.

Utrecht is a glorious city of around 200,000 now celebrating its 1,900th anniversary. Almost daily, some digger comes on Roman ruins.

Wars and its dislocations are historically the breeders of trade fairs, which have their origin millenniums ago. The Royal Netherlands Fair was founded in 1916. At first there was only one fair a year. Soon there were two — spring and fall; and this one which I visited, was the 50th.

At Utrecht, the main fair building is right in the heart of the city. It is five stories, would cover a good-sized Canadian city block. Inside and out it looks like a big department store. Here are the exhibits of consumer goods. On another site, off about 10 minutes' walk, in tents and sheds and in the open, are the producer goods.

Public Can't Buy

The public isn't permitted to buy anything at the fair — except coffee and sandwiches. There are no clowns, merry-go-rounds — no "entertainment" of any kind. The fair is purely a meeting place for manufacturers or wholesalers with retailers. It has a board of directors — prominent businessmen — and a permanent staff. It gets a small grant from the Netherlands Government, but is virtually self-supporting.

Nevertheless, this Utrecht Fair was jammed with strolling "public" despite the fact that the "public" entrance fee was put at a figure supposed to be discouraging.

About 46% of the exhibitors were domestic. The Netherlands textile and electrical industries, especially, are very highly developed and, especially important in textiles, very modern. Immense displays of cotton and woolen goods not only showed what Holland can do, but indicated her determination to get her textiles into other parts of the world as one of the important major exports. Canada is one important market which they are examining closely.

As in a well-ordered department store, exhibitors are grouped by the type of products they offer. So one floor had lighting, heating and electrical goods, plastics, metalware, radios, photographic supplies, medical and surgical instruments. Second floor had household goods such as Delft chinaware, glassware, cut glass, jewelry, sports goods, etc. Third floor had foodstuffs and beverages, cigars, chemicals and pharmaceuticals. Fourth was devoted to ready-to-wear clothing and textiles, office supplies, office machines. Fifth was interior decorations, cosmetics, publishing, information and promotion bureaus, etc.

Seven smaller temporary buildings, with similar smaller exhibits, stood in the shadow of "the big store." At the other site were bicycles, motor pumps, machine tools, trucks, building materials: a wide range of equipment for the manufacturing and construction industries.

Can't Find Space Enough

Fair officials loudly lament their lack of space — even ground space on which to erect new permanent buildings in the tightly-jammed city of Utrecht. This year there were more than 3,000 exhibitors, with 800 would-be exhibitors turned away. But these Holland businessmen who run the fair, seem to have a way of getting what they want for their Fair.

For instance: Some years ago a municipally-owned theatre and concert hall stood on ground the fair needed for expansion. It just happened that the chairman of the Fair decided to build a theatre and art centre combined, with restaurants and bars. It is said to be the loveliest and most modern

International Trade Fairs have been an integral part of the economic life of Europe for centuries but on this continent this "show window" phase of trade is just beginning to catch on.

In this article, The Financial Post's editor, Ronald A. McEachern, takes you on a verbal trip to Holland to attend the 50th annual Netherlands Trade Fair at Utrecht and at the same time gives you a preview of what to expect at Canada's first International Fair in Toronto.

Mr. McEachern is the only Canadian and one of three North American journalists attending the Utrecht Fair. In later articles he will write of his observations on visits to different parts of Europe.

building of the kind in Europe. Once this place, the Esplanade, got going, the municipal theatre stood dark and empty. It was soon torn down; the Fair expanded.

Foreign exhibitors at this Fair were chiefly from Switzerland, Belgium, Denmark, Sweden, France and Britain. The Czechoslovakian Government had a display but few paid much attention to it. The Canadian Government had displays at Utrecht previously, but nothing this year. Many asked me why not. Perhaps we were not represented because we are using our national promotion money elsewhere. But Canada is immensely popular in this country. There is no country in the world about which the people of Holland seem so eager to learn. If we had had an exhibit, the booth would have been swamped every minute of the day.

The only notice of Canada at the fair was a booth offering a mimeographed information sheet on Canada which is put out monthly, I understand, by the Netherlands-Canada Chamber of Commerce — which, incidentally, has a special arrangement with The Financial Post to use our material for information distribution services in Holland.

Banks Give a Hand

The best market for anything, whether it's common stocks or tractors or cottons, is the big market, where a lot of buyers and a lot of sellers come together. The city woman strolling down main street with its hundreds of stores obviously gets better value (in the sense of precisely what she wants, big variety to choose from and at the price she wants) than does the country woman dependent on a single store. So it is with trade fairs. They aren't exciting and aren't meant to be. They achieve their function only when an exhibitor sits down at his desk with a buyer and fills in his order.

Several big banks had offices in the main building, so that credit could, if needed, be arranged on the spot. Much of their business this year was giving importers and exporters information on trade and currency regulations.

How much actual business is done at the Fair? How many orders are signed? Fair officials would like to know too. But exhibitors don't like reporting sales, and so nobody can give a money figure or even an estimate. Only proof that the fair does get orders is that exhibitors come back year after year, and that new exhibitors are constantly clamoring for admission.

At this time of European reconstruction, a particularly valuable part of the Fair, which many exhibitors mentioned, was the opportunity it afforded for making or renewing personal contact with their customers.

Big Advertising Job

Because the value of such a Fair depends on bringing a lot of buyers and sellers together, the promotion and advertising department is a key factor in its success. At Utrecht, this is done superbly and on a year-round basis by a permament staff. They have almost every Netherlander sold on the importance of promoting the fair, so everybody talks about it. It's a matter of national pride to push it, make it grow.

Millions of businessmen have at least heard about the Utrecht Fair, and perhaps the Brussels Fair. Here are some of the other substantial and permanent fairs going on in Europe this year: Copenhagen, Basle, Helsinki, London and Birmingham, Dublin, Stockholm, Ghent, Lausanne and Gdansk.

It will take Utrecht weeks to recover from the energy it put into making the Royal Netherlands Fair a business and national success.

The most remarkable thing about this Fair is that it is a tangible demonstration of the determination of a whole nation to become again a great power in the commercial world.

Many political differences there are, and religious differences. But in the willingness of the people of Holland to work and to do — and to do without — those things necessary for restored stability and prosperity, there is — for this Canadian observer — an amazing degree of national unity, self-discipline and informed common sense.

What About Customs Union?

North American Marriage Held no Guarantee of Economic Bliss

What assurance is there for Canada in the Customs Union proposal of Life Magazine that we could "live happily ever after?"

What are the advantages and disadvantages in such economic unity?

What effect would it have on Canadian industry and labor?

Would it increase or decrease our exports to the United States?

Why do some expert Canadians approve Customs Union, others disapprove?

In this article a leading Canadian economist analyzes the pros and cons of Customs Union with the U. S. and offers a considered opinion on this highly controversial subject.

The leading editorial of Life Magazine on March 15, was entitled: "Customs Union with Canada."

Though full of goodwill towards Canadians, it is marred by several inaccuracies and a misconception of Canada's interests. Among its unsound assumptions are:

1. That simply by means of customs union with the States, we can in perpetuity maintain our Canadian standard of living and (so to speak) "live happily ever after";

2. That we can achieve this without "being put through the wringer" — that is, without undergoing a complete economic revolution at the same time;

3. That we can discuss this question of customs union between our two countries, as if it were just a North American question; quite without reference to the relationship of ourselves in North America, to the peoples of other continents.

Canada's Economic Interdependence with Britain and Europe

Our pattern of job distribution in this Dominion is based on an age-old economic relationship with England and Western Europe: as a result of which our function has been to produce in quantity, decade by decade, what they most needed overseas.

Our own productive resources have matched so perfectly the deficiencies of England, and of Western Europe, that in the course of doing this we managed also to create the so-called "Canadian standard of living" — which almost equals that of the United States. But of course, there is a very close connection between the pattern of job distribution, which our great export industries have imposed on us, and the standard of living achieved in Canada thus far.

Customs Union in Terms of the Possible Displacement of Canadian Labor and Industry.

We could not now drastically change our present pattern of job distribution, without in the process liquidating whole industries in certain parts of this Dominion; and thus causing painful migrations, perhaps over long distances.

In this way we might ultimately find, in our own Displaced Persons, a problem unpleasantly like that which the D.P.'s now constitute, in ex-enemy countries abroad.

It is true that we may be compelled, some day for some reason, so to change our pattern of job distribution. But the short-run result of doing this would obviously be tragic; therefore, we would make the change only with deep regret.

Canada's Exports to the States Would Not Be Much Increased Even By Customs Union.

Thus when customs union with the States is dangled in front of us as an objective, the supposition is implied that we could reap the benefits of union, while undergoing no such internal economic revolution. This then would imply sales by Canada to the States, **after joining** in a customs union, of substantially the same range of products and in substantially the same quantities, as Canada would otherwise have desired to market in England, and in Western European countries generally.

A brief reference to the pre-World-War II peace-time characteristics of our export trade, makes clear the baselessness of any such assumption.

Of our exports of shingles and whisky, 97% went already to the States, in peace-time; of our exports of fresh fish and cattle, 88% went already to the States; of our exports of hides and skins (raw), 83% went already to the States; of our exports of newsprint, woodpulp and pulpwood (taken together), 82% went already to the States; and if to these are added our exports of nickel, precious metals (not including gold), nonmetallic minerals, pine planks and boards, and seeds, we find that, in all these thirteen categories of merchandise, the States took (on an average) 73% of all our export shipments.

Today we would have, in these categories, a very small surplus of products, capable of being diverted from other countries to the States, if the proposed customs union were to create, on paper, this possibility. That is to say, the merchandise in these categories, capable of being diverted to the States, would yield us a very small amount of additional U. S. dollars — which Canada so much needs, in the present condition of world affairs.

Many Industries in Canada and the United States are not Mutually Complementary but Competitive.

If we were to gain, and hold, a substantial advantage from the proposed customs union, we would thus be compelled to look at the myriad classes of Canadian merchandise, hitherto sold abroad elsewhere but not (except on a trifling scale) within the States, for our main exporting opportunities.

Much of this merchandise consists of foodstuffs: goods of which the States now visibly produce a sufficiency for their own domestic needs — and so, do not constitute much of an additional market for us.

A growing proportion of this merchandise, today, consists of manufactures of many kinds, produced in Canada. We cannot afford any longer to think of this Dominion as a producer-for-export, of foodstuffs and raw materials only.

Mass Production in U. S. A. Versus the Need for a "Full Line" and "Short Runs" in Canadian Plants.

But our industrial organization in Canada differs radically from that of the United States. Theirs is the classic set-up for a mass production. Our conditions, for the most part, are ill adapted to mass production.

The need for producing in most Canadian mills what is called "a full line" — coupled with the fact of our still small population — imposes on us a multitude of "short runs." Goods turned out thus cannot as a rule compete in the United States market, with their own mass produced merchandise. To compete effectively with them, Canadian mills would, in many cases, have no choice but "to make themselves over."

"Liaison" or "Marriage" with the States?

Life proposes, in effect, that Miss Canada should accept a liaison with Uncle Sam — a liaison which of course (in terms of creature comfort) has much to be said for it. (But one needs to be sure of one's "Sugar Daddy," before launching on that kind of an existence).

The change-over industrially, which is visualized as being necessary to this end, is of a very radical character. Miss Canada needs therefore to be sure that her liaison with Uncle Sam will be for all practical purposes a marriage, before she can dream of accepting any such overtures. Even then (in the P.B.I. phrase of World War I), we may be sure that "the first seven years will be the hardest."

Monetary Union Inseparable From Customs Union—for Canada.

In the meanwhile — as we Canadians daily realize, when we cannot get carrots and lettuce, and oranges for the children — Canada finds herself now so short of U. S. dollars, that obstacles to the trade between our two countries are progressively being made more numerous and rigid. Only by the maintenance here of exchange controls, which completely belie current Canadian expressions of esteem for the principle of free trade, can we keep on functioning in the present juncture.

So long as we maintain these exchange controls, customs union would be nothing but a farce — or a mirage on the distant horizon. If we were now to remove these controls, we should quickly lose most of our residual U. S. dollars: and become paralyzed — or an obvious mendicant.

If any small debtor nation, living alongside a large creditor nation, were to venture upon customs union while still maintaining its own monetary system, and its own central bank, the likely consequence would be disaster. In this case — despite our deep and genuine affection, in this Dominion, for Uncle Sam — few Canadians, living outside Ottawa, now contemplate the deliberate abrogation of our severeignty; which of course, acceptance of the monetary system and central banking policies of the United States would entail.

Why Some Expert Canadian Official Opinion Favors Customs Union.

There is reason to believe that customs union looks quite attractive to several economists and senior officials in Ottawa, and in Washington.

In Ottawa, there is a feeling that we may not be able to solve our problem of U. S. dollar shortage during the next few months or years, even with large off-shore purchases in Canada under the European Recovery Program. Canada would then be faced — so it is argued — with the alternatives of autarchy (living unto ourselves, buying and selling only what we must), or of customs union with the United States. The same persons are convinced that Canadian public opinion would choose the latter as the less painful of two evils.

This view reflects official pessimism about restoring — at any time in the future — the system of multilateral trade and convertible currencies, on which Canada has historically depended and thriven. In other words, customs union has been a sort of "counsel of desperation." But are we now ready for such extreme action?

Why the Same View is Held in Some Washington Circles

The approach to customs union with Canada, in certain official circles in Washington, takes a quite different form. There it is accepted that customs unions, or their equivalent, are being officially urged by the United States for Western Europe and other nations. How could they object to a similar customs union with Canada?

This is part of a strange inconsistency in the commercial policy of the State Department, which frowns on preferential duties as "discriminatory" (even when they serve to reduce trade barriers as a whole), but which praises customs unions as worthy measures of "freer trade."

No One has Yet Seriously Studied the Real Implications of a Canada-U. S. A. Customs Union

Neither of these official schools, above described, seems to have seriously studied the real implications of a Canada-U. S. A. customs union.

The Life editorial concludes by remarking:

> "In her new position Britain will probably be the first to see that in the 20th Century Canada's lot is inevitably cast with that of the U. S. and so give a mother's blessing to the union."

Surely this ignores altogether the present and prospective long-term dependence of Britain on Canada, for essential foods and raw materials — lacking which (from some external source), the British people will soon find, either that their food

> ". . . would fall well below the point at which the population, already by no means over-fed, would be able to perform its work efficiently, or that shortages of raw materials would cripple their industries and throw millions out of work"
>
> (F.W. Paish, **The American Economic Review**, March, 1948, pp.118-121).

Multitudes on the continent of Europe are no less dependent in these respects, than the people of Britain.

The Marshall Plan itself makes interim — not permanent — provision against this weakness. If possible while still the Plan functions (and at long last, anyway) the means **must** be found of restoring some kind of a world market: or else, Marx may be vindicated finally.

Therefore if we wish to keep, on the North American continent, our own industrial civilization and the freedom on which it rests, we must not talk of customs union between the States and this Dominion (any more than we talk of the Marshall Plan) as if it, alone, could solve any problem.

Our fate is linked, whether we like it or not, with the fates of Britain and of Europe. Our task is to make it possible for all nations, who value the dignity and initiative of the individual above that of the State, to live in harmony and to exchange their goods, services and cultures freely, within a stable and self-reliant community.

Here's Report on Rise and Fall of Eldona Stock

A six-month investigation by the Ontario Securities Commission into trading in shares of Eldona Gold Mines during the Aug. 15-Sept. 30, 1947, period of their rapid rise and fall has failed to confirm charges that organized short selling was responsible for the abrupt decline.

But the 10-page report of Messrs. O'Connor, Collins and Wetmore, just released on instructions of the Attorney-General, declares that numerous "wash sales" were completed during the period with the financial sponsor acting as both buyer and seller.

Certain regulations of the Toronto Stock Exchange are also stated to have been broken.

Among conclusions mentioned in the report are that:

1. L. R. Brooks, a financial sponsor of Eldona, did, through Stuyvesant-North, a firm he controlled, enter into at least 99 "wash sales" (involving 132,100 Eldona shares) with Brooks acting as both buyer and seller through different brokerage accounts.

2. The investigators did not find that "Brooks or any other traders acted in conspiracy in such a manner as to bring them within the provisions of Section 444" of the Criminal Code and "consequently we do not recommend any prosecutions."

3. In the opinion of the investigators, the short-selling regulation of the Toronto Stock Exchange which calls for no short sale below the price of the previous long sale was not consistently observed—although the investigators were unable to establish proof of this.

4. Certain technical violations of the bylaws and regulations of the Toronto Stock Exchange were revealed, with evidence on these matters to be passed on to the management committee of the Toronto Stock Exchange, which is stated to have assured appropriate action."

5. Commission investigators found that J. T. Cannon, partner of J. P. Cannon & Co., had been kept "fully informed (by Brooks) of developments throughout" and they did "not find that Cannon traded against Brooks" although they were "of the opinion he greatly benefited from his preferred position. . ."

After noting that Stuyvesant-North Ltd., a company "solely controlled by Brooks" had agreed under date of Aug. 15, 1947, to purchase 200,000 shares of Eldona Gold Mines at 35 cents a share with options granted on further blocks of shares at 40, 50 and 60 cents a share, the Commission report describes Brooks as "not a broker . . a promoter of mining companies. . . widely known as a large-scale market trader and sponsor of numerous mining prospects."

Bought 2.7 Million Shares

Discussing Eldona activity in the Aug. 15-Sept. 30 period under review, the report states in part:

"Some 14 million shares were traded on the Exchange during this period of 32 trading days. Brooks bought some 2,700,000 and sold some 2,500,000. On each of the three days, Aug. 26 and 27 and Sept. 10, over one million shares were traded, the price rising in nine trading days from a low of 32 cents to a high of \$2.60, and in the following nine days falling again to a low of \$1.00. Brooks finished the period long 242,300 shares at an average price of \$1.83 per share, at which time the bid price on the Exchange was \$1.03, an apparent loss to him at Sept. 30 of over \$190,000. .

"During the operation, Brooks employed 20 member brokers, two non-member brokers and one Montreal broker for the purpose of his trading. His reasons for the use of such a large number of brokers were three-fold, (1) to generate wider interest in the stock, (2) to keep the goodwill of the brokers by distributing his commissions and (3) to disguise or conceal his operations from the other floor traders and professional traders. A very large amount of his trading was done through jitney brokers, in some cases upon his instructions, and in many cases at the discretion of the originating broker." (A jitney broker is one who executes an order on the Exchange floor for another broker.)

"However, in such a large-scale operation as Brooks conducted, the use of so many brokers, as many as 14 in one day, and the widespread use of jitneys, resulted in many trades being completed where Brooks was both the buyer and the seller. Schedule B sets out in detail the number of such transactions that were verified by reference to the actual Exchange tickets, the brokers' reports and other information in our possession. Such transactions, where there is no change in the beneficial ownership of the security, are known in trading parlance as 'wash sales' and are commonly recognized as illegal if done in conspiracy with another for the purpose of creating a false or misleading appearance of active trading in a security. Schedule B indicates that there were definitely established 99 such transactions covering 132,100 shares . . .

"The transactions in which Brooks appears as both buyer and seller arose in the following manner:

	No. of transact.	No. of shares
Transactions where no jitneys were used	16	31,900
Transactions involving selling jitneys only	75	90,800
Transactions involving buying jitneys only	2	3,000
Transactions involving both selling and buying jitneys and in which Cannon was originating broker on both sides	6	6,400
	99	132,100

"We believe there were many more such transactions but due to the tremendous volume of trading during the period, the large number of trades at the same price and the time element involved, a complete analysis was impossible . . ."

"Brooks and his brokers have an explanation for these so-called wash sales. Brooks has testified that he never intentionally washed a sale and his brokers have testified that they never intentionally washed a sale on his behalf. For example, they pointed out that their floor traders executing a buy order on behalf of Brooks would have have no knowledge of the name of the client of the selling broker and consequently would be unaware that Brooks was appearing as both buyer and seller in the transaction. They further stated that jitney brokers receiving orders from originating brokers are not advised of the name of the client for whom they are executing the order. Brooks stated that these wash sales were purely accidental and arose by reason of his heavy trading. . .

"Brooks . . . followed a pattern which has been common on the Toronto Stock Exchange for some years. It is known as trading in support of a market. However, mere custom will not make it legal if it is, in fact, in breach of our Criminal Code. The section of our Code which refers to market manipulations is section 444 which reads in part: 'Everyone is guilty of an indictable offence and liable to seven years imprisonment, who conspires with any other person by deceit or falsehood or other fraudulent means . . . to affect the public market price of stocks, shares . . where such deceit or falsehood or other fraudulent means would or would not amount to a false pretence as hereinbefore defined.' The gist of the offence under the section is that the manipulation must be done in conspiracy with one or more persons and must be effected by deceit, falsehood or fraudulent means.

"The deceit or falsehood contemplated by the section are not confined to false statements or reports but, in our opinion, a course of conduct such as a method of trading, if fraudulent and done in conspiracy with another, would constitute a breach of the section.

"We cannot find that Brooks or any other traders acted in conspiracy in such a manner as to bring them within the provisions of Section 444. Consequently we do not recommend any prosecutions."

Of the situation as regards short selling, the Commission report states in part:

"Brooks has stated that on Sept. 16 in particular, Eldona was subjected to a heavy raid the latter part of the day accompanied by large-scale short selling. We have reviewed the Exchange report and it, together with other information in our possession, has led to the conclusion that no raid did in fact take place, nor was short selling particularly in evidence. . . ."

The investigators' opinion that the Toronto Stock Exchange short selling rule was being broken is outlined by the Commission report in part as follows:

Trader Not Notified

"Experienced floor traders have advised us that due to the lack of any provision for notification whether a sale was short or not, the floor trader was often unaware of the situation and consequently had no opportunity to observe the intention of the regulation.

"We have been unable to prove its non-observance for the following reasons. During such a tremendous volume of trading the timing of the Exchange tickets did not necessarily represent the actual time of the transactions. The only recorded time shown for any transaction was on the Exchange tickets, which were filled in from information on the floor slips made up by the selling floor trader at the conclusion of each transaction on the floor. . . It will be seen that in a busy market such as Eldona it is conceivable that several minutes might elapse before the slips are stamped and that the trades might not show in their proper sequence . . ."

"Greatly Benefited"

Of the position of J. P. Cannon in Brooks' operations, the Commission report had this to say:

". . . the member firm of J. P. Cannon & Co. acted as the principal broker for Brooks' trading on the Exchange. During the period Aug. 15 to Sept. 30, 1947, they purchased for the account of Brooks 539,200 shares and sold for his account 1,134,100 shares. Their representative, J. T. Cannon, who is a partner and their chief trader on the Exchange, was closely in touch with Brooks during the operation and, according to Brooks, was kept fully informed of developments throughout.

"Members of the Cannon family principally J. T. Cannon, traded extensively in Eldona, and in view of this, and the more or less preferred position of this firm, Schedule F has been prepared, setting out details of the family's trading in Eldona during the period. It will be noted from Schedule F that they purchased 519,300 and sold 517,800 shares for an apparent profit of approximately \$44,000. It has been suggested that J. T. Cannon had traded against Brooks from time to time. . .

"We did not find that Cannon traded against Brooks, but are of the opinion he greatly benefited as the result of his preferred position in relation to Brooks."

OSC Asks Ottawa To Amend Code On Wash Sales

"Representations have been made to the Department of Justice at Ottawa that market manipulation and more particularly washed sales should constitute a crime if carried out to affect the price of securities artificially and not for bona fide market support whether conspiracy can be proved or not," declares Chairman C. P. McTague of the Ontario Securities Commission in a statement accompanying the Eldona probe report.

"The representations made by the Commission have been treated most sympathetically by the Minister of Justice," Mr. McTague continues. "The Commission is optimistic that suitable amendments to the Criminal Code will be submitted to Parliament during the current session."

"It is to be noted as well that shortly after the Eldona trading episode the Toronto Stock Exchange amended its short selling rule along lines recommended by the Commission. This undoubtedly has already had a very beneficial effect."

Ontario Hopes For Early End Of Fresh Vegetable Famine

Salad days are - nearly — here again. End of the fresh vegetable famine, caused by Mr. Abbott's "Austerity" import bans, is in sight — for Ontario anyway.

Come May, if the weather stays fair, first of the season's lettuce, asparagus will hit the market followed by tomatoes, carrots, cabbage, radishes, green onions, from Ontario's Essex county farms where 20% more acreage has been devoted to early spring vegetables than last year.

By June 1, market authorities say, there should be general marketing of all early spring vegetables.

Prices likely will be high in the first week of marketing of each crop but then should level off — providing weather damage does not create new shortages.

Growers report they now have hundreds of acres planted with head lettuce, cabbage, celery, radishes, onions, carrots and potatoes.

In their greenhouses last week they had "millions of other plants" ready for setting outdoors as soon as frost dangers were over.

Increases in acreage are also planned throughout Ontario for summer and winter storage crops.

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Canadian Chartered Bank Notes Total Decreases 15% in Past Twelve Months

How often do you see a note of one of the chartered banks?

Not very often, nowadays. Of more than $1 billion in notes in circulation in Canada at present, about one sixtieth is in chartered bank notes, and the amount is steadily decreasing. Within a few years these notes will have gone the way of the dodo and the passenger pigeon.

Under the Bank Act revision of 1944 the Bank of Canada is now the only body in Canada authorized to issue currency. Outstanding notes of the chartered banks as they are returned to the issuing bank are retired.

On Jan. 1, 1945, the maximum note issue allowed the banks was 25% of their paid-up capital and, under the provisions of the act, the amount outstanding is being steadily reduced until, by January, 1950, each bank will pay to the Bank of Canada an amount equal to its note issue still outstanding. The chartered banks will then be relieved of all liability for such notes and the Bank of Canada will assume liability for their redemption.

Here's how the circulation figures of the various banks at the end of February compare with those of a year ago and of February, 1935, before the Bank of Canada began to operate.

Chartered Banks' Note Issue

	1948	1947	1935
	Feb. 28 (Thousands of $)		
Montreal	4,589	5,265	30,478
Nova Scotia	1,629	2,140	11,358
Toronto	652	724	5,488
Provincial	336	414	3,861
Commerce	3,741	4,334	23,894
Royal	4,610	5,436	30,463
Dominion	661	757	6,367
Nationale	664	767	6,880
Imperial	853	954	6,888
Barclays (Canada)	82	102	281
Total	17,818	20,894	125,978

Present Total 14% of 1935

Total circulation of the chartered banks now is about 14% of that outstanding in 1935.

The total on Feb. 28 is about 15% lower than on the same date last year.

It is considered unlikely that the outstanding note issue of the banks will be entirely redeemed, even by 1950. A large number of those issued have been lost or destroyed, it is believed. Some turn up from time to time in old hoards on cellar rafters, in mattresses, etc. But even now, the large-size chartered banks notes issued before the present smaller notes came into use, are quite a souvenir and it is believed that before they finally disappear from circulation, many of the latest issue will be acquired by souvenir and antique hunters.

Transfer of the liability for the redemption of the bank notes from the chartered banks to the Bank of Canada, to some extent, works out to the advantage of the shareholders.

Original bank legislation designed to protect holders of chartered bank notes against loss if the bank should become insolvent provided that the bank shareholders would be liable not only for their stock but for an extra amount equal to its par value. This was known as the double liability feature.

Since 1935, when the Bank of Canada began issuing notes and the chartered bank circulation was gradually reduced, the liability of the shareholders decreased in proportion. Since Jan. 1, 1945, it has been limited to 25% of the paid-up capital, that being the maximum amount of circulation any bank was allowed to have. On Jan. 1, 1950, this disappears altogether.

Possibility of this "double liability" clause ever being called into operation has been considered remote; but its removal theoretically improves the position of the shareholders.

One result of the cessation of the bank's note issue will be the redistribution by the Bank of Canada to the banks of their respective credits in the bank circulation redemption fund on Jan. 31, 1950.

B. C. GARDNER

has been appointed a vice-president of the Royal Trust Co. and a member of the executive committee of the board of directors.

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

E. WHIESSIEL, to be manager Port Daniel, Que.

H. C. MORTON, to be an assistant manager, Queen & McCaul, Toronto.

W. L. POMEROY, to be assistant manager, King & Victoria, Toronto.

B. J. SMITH, to be accountant, Mount Dennis, Ont.

* * *

The Royal Bank of Canada announces the following staff changes:

A. FLATEN, manager, Prince Rupert, B.C., to be manager Douglas St., Victoria.

P. B. ELWOOD, manager Sherbrooke & Bleury, Montreal, to be manager Tramways Terminal, Montreal.

D. W. G. STEWART, manager McKay, B.C., to be manager Prince Rupert, B.C.

C. N. EARLE, assistant to manager New Glasgow, N.S., to be manager Whitney Pier, Sydney, N.S.

E. M. MACLEOD, supervisor's department, Toronto, to be manager Harbord & Spadina, Toronto.

W. H. PRIDGEON, supervisor's department, Halifax, to be manager, Armdale, N.S.

R. E. D. BLISS, accountant, Saint John, N.B., to be manager, North End, Saint John.

J. W. HOUGH, accountant Watrous, Sask., to be manager, Lipton, Sask.

J. G. VACHON, accountant, St. Denis & St. Catherin, Montreal, to be manager, Beaubien St., Montreal.

L. G. BASTIEN, to be accountant St. Denis & St. Catherine St., Montreal.

R. CALDECOTT, Hastings & Homer, Vancouver, to be accountant, Mount Pleasant, Vancouver.

W. P. MILNER, to be accountant Portage & Good, Winnipeg.

L. H. KITCHINGMAN, Portage Ave., Winnipeg, to be accountant Fort William, Ont.

N. McCONNACHIE, Luseland, Sask., to be accountant, Watrous, Sask.

D. M. CAMPBELL, to be accountant, Weyburn, Sask.

A. R. LA FLECHE, Atwater & Notre Dame, Montreal, and W. R. BROWN, North End, Saint John, retire.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADA FOUNDRIES & FORGINGS 1947 net profit was up sharply at $172,844 ($98,395 in 1946). During the year there was an improvement in the available supply of labor and material, and value of shipments was considerably greater than in the previous year. Continuing demand for company products, both at home and abroad, together with satisfactory backlog of unfilled orders on hand at end of 1947, would justify looking forward with reasonable confidence, the annual report states.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$326,917	$189,958
Less: Deprec.	45,187	25,902
Taxes reserve	108,886	65,661
Net profit	172,844	98,395
Less: Dividends	64,551	67,106
Surplus for year	108,293	31,289
Earnings per Share and Dividend Record:		
Class A†	$5.41	$2.82
Class A*	3.19	1.95
Paid	1.50	1.50
Class B*	7.14	3.13
Paid	1.50	1.50

†Before (*after) allowance for participation.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$133,108	$168,249
Accts. rec.	383,251	391,779
Inventories	981,100	777,922
Total curr. assets	1,497,459	1,337,950
Misc. assets▲	130,968	139,859
Goodwill	1	250,000
Fixed assets‡	981,154	746,884
Total assets	2,609,582	2,474,693
Total curr. liab.	280,887	196,262
Capital stock	1,359,230	1,459,400
Capital surplus	224,770	108,500
Surplus▲	744,695	710,531
‡After depr. of	909,799	869,393
▲Incl. ref. EPT	75,579	75,579
Working capital	1,216,572	1,141,688

Renfrew Textiles —

CRESSWELL ROLL FORMING CO. 1947 net profit was up $37,527 ($5,493). Volume of business during second year of operations showed a marked increase. Although inadequate, a more abundant supply of raw materials contributed much toward company's ability to supply a larger portion of potential demand for goods.

Such items as steel joists, studs, channels and other structural materials, as well as aluminum roofing and siding, are examples of new products designed and engineered by company's technical staff. Substantial contracts were obtained for supply and installation of movable metal partitions, sull sash double glazing, weatherstripping, fly screens and other window accessories. The company entered into a long-term licensing agreement with the Permanente Metals Corp. (Kaiser Aluminum interests) of Oakland, Cal., for manufacture and sales rights in the United States of certain of the company's recently developed and patented products. U. S. dollar royalty returns thus realized assist in recovering much of the company's earlier development outlays.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Operating profit	$103,305	$39,029
Add: Other inc.	6,611	1,889
Net earnings	109,916	40,918
Less: Deprec.	30,071	14,462
Bond int.	16,195	12,880
Asset sale loss	......	1,552
Income tax	26,123	6,531
Net prof. & surp.	37,527	5,493
Times Note Interest Earned:		
Before deprec.	6.79	3.18
After deprec.	4.93	2.05
Earnings per Share and Dividend Record:		
Common	$0.37	$0.05
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$14,875	$1,800
Accts. rec.	242,716	218,506
Inventories	287,031	190,068
Total curr. assets	544,622	410,374
Def. chgs., etc.▲	53,850	52,814
Fixed assets*	399,851	392,398
Total assets	998,323	855,586
Bank advances	199,651	151,383
Accts., tax., etc., pay.	174,793	101,851
Total curr. liabs.	374,444	253,234
Funded debt	359,000	375,000
Capital stock	100,000	100,000
Capital surplus	121,859	121,859
Earned surplus▲	43,020	5,493
*After depr. of	100,206	73,090
▲Incl. ref. EPT	29,831	29,831
Working capital	170,178	157,140

BROMPTON PULP & PAPER 1947 net profit was up 23.5%. Tonnage sold and net sales value increased to a record high. Capital expenditures on Red Rock mill buildings and machinery amounted to $319,304, bringing total cost of the unit to $7,061,290, President Noah A. Timmins states. Adding to this capital expenditures on Red Rock townsite of $1,310,847, on the timber limits of $689,896 and on the Nipigon groundwood mill of $26,506, brings aggregate capital cost of Red Rock division to $9,088,539.

In the 1947 statements, assets and liabilities of all wholly-owned subsidiaries have been completely consolidated with those of parent company, whereas the previous year the company's interests in Brompton Lands Ltd. and McCrea-Wilson Lumber Co. were represented under the item "investments in and advances to subsidiary companies."

As part of company plan to modernize its East Angus division gradually, so as to increase quality and range of products, approximately $200,000 will be spent this year on installation of new stock-preparing and refining equipment.

Total tonnage produced during the year was 183,581 (161,578 in 1946).

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$3,623,584	$2,072,296
Add: Invest. prof.	......	13,072
Less: Deprec.	978,559	705,547
Depletion	9,919	12,068
Interest	240,284	228,300
Bond exp.	105,000	......
Income taxes res.	1,500,000	499,908
Net profit	789,822	639,545
Less: Dividends	300,000	300,000
Surplus for year	489,822	339,545
Earnings per Share and Dividend Record:		
Common: Earned	$2.63	$2.13
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$104,265	$70,823
Accts. rec.	1,969,367	1,686,550
Investments*	38,046	38,046
Inventories	5,302,755	4,005,965
Total curr. assets	7,414,433	5,801,374
Misc. assets	134,091	791,000
Fixed assets	17,640,911	15,754,710
Total assets	25,189,435	22,347,084
Bank loan	1,612,207	1,924,015
Accts., tax., etc., pay	2,627,823	1,456,679
Total curr. liab.	4,240,030	3,380,694
Mortgages	560,294	......
Inv. & cont. res.	65,037	69,475
Depr. & depl. res.	6,779,374	5,790,896
Funded debt	4,425,976	4,475,976
Capital stock	7,300,000	7,300,000
Capital surplus	136,387	136,388
Earned surplus	1,482,337	993,655
*Market value	50,000	50,000
Working capital	3,174,403	2,420,680

BANK OF CANADA

	Apr. 14 1948 $	Apr. 7 1948 $
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,180,602,712	1,184,394,772
Deposits: Dom.	76,640,984	64,091,087
Chart. banks	524,826,503	547,145,964
Other	84,294,783	79,298,323
Total deposits	685,762,270	690,535,374
Liabs. payable in sterling, U.S.A. and for'n. gold currencies:		
Deposits	133,591	133,590
All other liabs.	10,197,434	15,463,006
Total liabs.	1,891,746,374	1,905,577,109
Assets		
Sterling & for'n. exchange	133,591	133,591
Other currencies	154,434	117,943
Total	288,025	251,534
Subsid. coin	215,728	211,200
Investments:		
Dom. govt. sh.	1,035,901,269	1,042,936,475
Oth. Dom. gov.	799,194,231	800,068,704
Total invest.	1,835,095,500	1,843,005,179
Ind. dev. bank Total share cap. at cost	25,000,000	25,000,000
Premises	2,409,319	2,407,634
All other assets	28,737,802	34,701,562
Total assets	1,891,746,374	1,905,577,109

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NATIONAL CITY BANK of New York and its affiliate, the City Bank Farmers Trust Co., report combined operating earnings for the first quarter of 1948, equal to 77 cents a share (76 cents in 1947).

Of these amounts the bank earned 73 cents a share and the trust company four cents (73 cents and three cents respectively in the same period of 1947). Combined earnings from the sale of securities were one cent against 41 cents in 1947. Important figures in the quarterly statement follow.

Combined Earnings First Quarter

	1948 $	1947 $
Net oper. earnings	4,807,583	4,708,750
Profit on sale of sec's	57,780	2,514,381
	4,865,363	7,223,131

Balance Sheet Items

	1948	1947
	$000,000	
Total deposits	4,617	4,754
Total resources	4,993	5,115

MACDONALD MINES is preparing No. 1 or upper level ore body for production with stoping areas being outlined by drilling a series of holes at 50-ft. east to west intervals. Results are reported to be confirming holes from surface and will be used to direct selective mining of higher grade zinc ore recently estimated at 2.5 million tons averaging between 7% and 8% zinc between surface and 325-ft. level.

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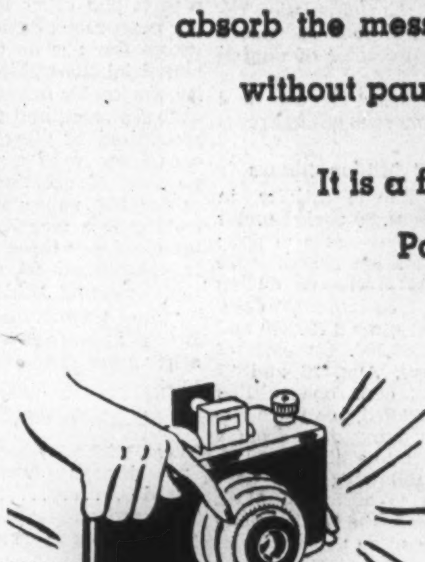

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Europe Speeds Recovery But Path Is Long, Steep

The following cable is from W. Arthur Irwin, editor of Maclean's Magazine, who is now overseas as a member of the official Canadian delegation attending the World Conference on Freedom of Information, in Geneva.

By W. ARTHUR IRWIN

LONDON (By Cable)—Striking evidence of Western Europe's recuperative powers, and sharp delineation of the fantastically difficult problems involved in the Continent's further economic recovery, are contained in the first report of the Economic Commission for Europe, just made public.

This 300-page document undoubtedly will play an important role in forthcoming discussions on the application of the Marshall Plan and the ERP program. Here are some highlights:

Contrary to the generally accepted view, the Continent's industrial recovery after World War II, has been more rapid than after World War I.

By the end of 1947, industrial production of Western Europe, including Germany, had risen to 91% of its prewar figure; excluding Germany, to 104%. Following is the 1947 percentage of 1938 production in various industries:

Excluding Germany, iron and steel production, 104%; chemicals, 120%; engineering, 109%. Building is lagging at 89%, and textile output at 90%.

Western Germany is still in a desperate plight, with industrial production only 37% of 1938; imports 18%, and exports 9%.

Far Fewer Jobless

Apart from Germany and Italy, where many are still idle, unemployment is less than one seventh of the 1938 figure. Productivity per worker is down, but is now on the upgrade once more.

Recovery in agriculture has been much slower than in industry. Farm production in the year ended with June, 1947, was only 75% of 1938, and the current year's figure is appreciably lower. Bread and grain production this year is only at the rate of 58%, although the outlook for next autumn's crop is much better.

Rail transportation is no longer a bottleneck. By the end of 1947, freight loadings had reached the prewar level, and ton miles were 129% of 1938.

The coal problem is on its way to being beaten. Production from Germany in 1948, is running at 93%, imports from the United States taking care of the balance.

The worst bottlenecks are now in electric power and in steel. The former is running at 146%, but is still short of the demand, which is increasing twice as rapidly as before the war. The steel supply is five million tons short of meeting this year's demand.

In 1947, Europe's adverse balance payments against the rest of the world were $7.5 billions; against the United States, $5.4 billions—"beyond question, the most critical feature of Europe's current economic situation," says the report.

The Future Scene

Some predictions for the future:

Europe will not reach her prewar production of bread and coarse grains until 1951, and restoration of prewar meat production will take still longer.

Countries receiving ERP aid will require $265 millions worth of timber from North America this year.

Sixteen ERP countries plan to spend $2.2 billions on modernization and expansion of the steel industry by 1951. This will increase crude steel production 73% over prewar, and finished steel 86%. But owing to the collapse of German production, it will be 1951 before Western Europe as a whole, stops its prewar output.

Overcoming the electric power shortage will take until 1955, and will involve expenditure of $5 billions.

Inland waterway traffic will not reach prewar levels until 1950, and port capacity not until 1951.

Despite the existence of 14 million tons of idle shipping in the United States, ERP countries plan an ambitious shipbuilding program, in order to reduce their dollar expenditure on shipping services.

The extent to which the Continent has been hit by inflation, is indicated by the following changes in retail price levels since 1938:

United Kingdom, 158%; Netherlands, doubled; Czechoslovakia, trebled; Belgium, up three-and-one-half times; France, up 13 times; Italy up 50 times; Poland up 136 times; Greece up 238 times; Romania up 1,500 times.

W. K. WHITEFORD

president of the British American Oil Co., has been elected a director of the Bank of Nova Scotia.

COMPANY REPORTS

NORTHWESTERN UTILITIES 1947 net profit was up 20.4%. Operating revenue reached a new high at $2,441,215—up from $2,136,570. Gas sales totalled 10,516,293 M.C.F.—up from 8,876,832 M.C.F. in 1946. Number of customers at year end was 27,284 (23,376).

During the year the company spent $1,890,179 on capital account. The line to Red Deer and the distribution system in that city were completed; 20 additional miles of the 16 in. and third transmission line from the Viking-Kinsella field were constructed. Four new wells were drilled, which together with seven others previously completed, were connected to the field gathering system.

Having in mind future capital requirements, which this year alone will amount to well over $2 millions, the company sold an additional $2 million first mortgage 3½% bonds, $500,000 4% preference stock, and $250,000 common stock.

Because of the shortage of pipe and materials, the company has not been able to meet the entire demand for gas, the annual report states. Many applicants are still on the waiting list.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net sales	$2,441,215	$2,136,570
Net earnings	1,325,053	1,221,947
Less: Amort. res.†	156,970	133,325
Bd. int., disc. & exp.	175,872	186,126
Other interest	......	9,971
W/o leases, etc.	10,000	10,000
Stock issue exp. w/o.	8,538	3,750
Income tax res.	326,457	341,100
Net profit	647,216	537,675
Less: Pref. divds.	120,000	120,000
Com. divds.	315,000	a681,600
Surplus for year	212,216	•263,925

†In addition deprec. of $16,409 in 1947 and $11,695 in 1946 included in oper. accts.
aIncl. $400,000 paid in form of common stock dividend.
•Deficit.

Times All Interest Earned§:		
Before amort.	7.53	6.23
After amort.	6.64	5.55

§Includes discount & expense.

Earnings per Share and Dividend Record:		
4% Pref.: Earned	¶$21.57	$17.92
Paid	1.00	1.00
Paid 6% pfd.	......	‡4.50

‡Redeemed Sept. 1, 1946.
¶Based on 30,000 shs. o/s at Dec. 31, 1947. Based on 35,000 shs. o/s in Jan., 1948, pref. earned $18.49 per sh. in 1946.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$508,341	$1,131,842
Accts., etc., rec.	279,053	270,816
Invests.* ... 208,133	......	......
Inventories	309,237	265,576
Total curr. assets	1,304,764	1,668,234
Dep. with trustee	......	985,754
Misc. assets▲	174,716	175,266
Def. charges	337,108	356,202
Fixed assets	13,036,416	11,196,756
Total assets	14,853,004	14,382,212
Total curr. liab.	464,483	419,009
Consumers' dep.	184,011	157,351
Funded debt	4,500,000	4,500,000
Depr. & amort. res.	2,349,255	2,162,920
Other res. & advs.	89,815	89,707
Capital stock	6,500,000	6,500,000
Surplus▲	765,440	553,225
*Mkt. value	349,806	......
▲Incl. ref. EPT	149,904	149,904
Working capital	840,281	1,249,225

H. SIMON & SONS 1947 net profit was off $27,090 at $94,072. Additional equipment purchased now places company in an excellent position regarding production, the annual report states. Despite changes in the budget of June, 1946, whereby excise taxes on cigars were substantially increased, the company has been able to maintain unit sales, producing and selling the largest volume of cigars in history.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$175,517	$232,715
Less: Deprec.	24,945	17,020
Inc. tax res.	56,500	94,533
Net profit	94,072	121,162
Less: Pref. divds.	20,000	19,220
Com. divds.	36,060	36,060
Surplus for year	38,012	65,882
Earnings per Share and Dividend Record:		
Pref.: Earned	$23.52	$30.29
Paid	5.00	4.80½
Common: Earned	2.46	3.39
Paid	1.20	1.20

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$140,679	$42,944
Accts. rec.	361,964	424,337
Inventories (cost)	859,714	1,239,360
Total curr. assets	1,362,357	1,706,641
Misc. assets▲	19,046	18,063
Fixed assets†	224,598	199,755
Total assets	1,606,001	1,924,459
Total curr. liab.	635,626	985,370
Reserves	98,273	105,000
Capital stock	488,261	488,261
Surplus▲	383,841	345,828
†After depr. of	147,450	122,505
▲Incl. ref. EPT	15,119	15,119
Working capital	726,731	721,271

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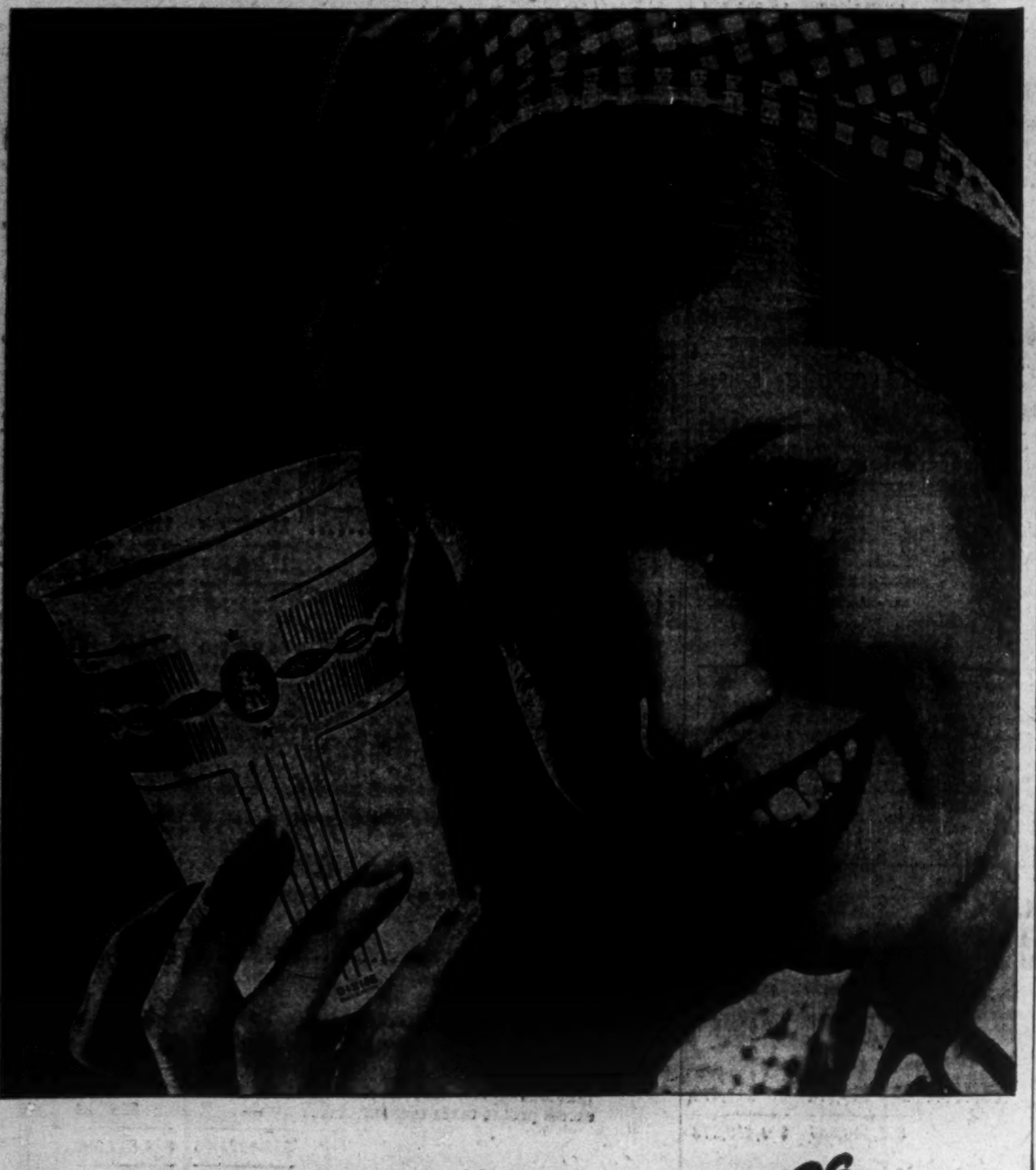

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"Dixie" is a registered trade mark of the Dixie Cup Company

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900,000

Canadian families pay out ten cents every week for The STAR WEEKLY

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424,190 are bought at Drug and Stationery stores
6,026 by Mail Subscriptions
904,063 ABC Report Sept. 30, 1947

PUBLISHED AT 80 KING STREET WEST, TORONTO
Montreal Advertising Offices: University Tower . . . U. S. Representative: Ward Griffith Co. Inc.

Boy, it's good! *the year 'round*

"ICE CREAM MOUNTAIN" is one of Canada's landmarks. Last year about 24 million gallons were enjoyed—the year round—by young and old. No longer simply a "party dessert" ice cream today is recommended by nutrition experts as a rich source of protein, calcium and essential vitamins. Perishable as mountain snow and dated almost to the day, ice cream requires efficient, rapid distribution. White Trucks provide this service to industry leaders from dairy farms to corner stores. It is another essential service calling for the dependability for which White Super Power is noted. Correctly selected for the work they do, properly maintained and skilfully manned, Super Power Whites assure distribution efficiency for many more years of service at lowest cost, as your White Representative will gladly explain in terms of your own business. We invite you to discuss your trucking needs with the White Branch or Sales and Service Centre in your locality.

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DIVIDEND NOTICES

THE DOMINION BANK
DIVIDEND NO. 262

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th April, 1948. The dividend will be payable at the Head Office of the Bank and its Branches on and after Saturday, the first day of May, 1948, to shareholders of record of the 15th April, 1948.

By Order of the Board,
ROBERT RAE,
General Manager.
Toronto, 11th March, 1948.

THE BANK OF TORONTO
DIVIDEND NO. 267

Notice is hereby given that a **Dividend of Thirty Cents** per share on the Paid-Up Capital Stock of this Bank has been declared for the current quarter, payable at the Head Office of the Bank and its branches on and after the first day of June next to shareholders of record at the close of business on May 15th, 1948.

By Order of the Board.
L. G. GILLETT,
General Manager.

Standard Chemical Company, Limited
DIVIDEND—PREFERRED STOCK

Notice is hereby given that a quarterly dividend of one and one-quarter percent (1¼%) on the issued 5% cumulative redeemable preferred shares of the Company has this day been declared payable on the 1st day of June, 1948, to Shareholders of record at the close of business on the 30th day of April, 1948.

By Order of the Board,
G. MILLWARD,
Secretary.
April 16th, 1948.

Standard Chemical Company, Limited
DIVIDEND—COMMON STOCK

Notice is hereby given that a quarterly dividend of ten cents (.10c) per share on the issued common shares of the Company has this day been declared payable on the 1st day of June, 1948, to Shareholders of record at the close of business on the 30th day of April, 1948.

By Order of the Board,
G. MILLWARD,
Secretary.
April 16th, 1948.

Acme Glove Works Limited
DIVIDEND NOTICE

A dividend of FIFTY CENTS (50c.) per share has been declared on the Cumulative Preferred Shares of Capital Stock of the Company, to be paid on the first day of June, 1948, to holders of such shares of record on the share records of the Company at the close of business on the fourteenth day of May, 1948.

By Order of the Board,
G. H. DAWSON,
Secretary.
Montreal, April 15th, 1948.

SIMPSONS, LIMITED
Preferred Dividend No. 13

NOTICE is hereby given that a dividend of One dollar and twelve and one-half cents ($1.12½) per share on the outstanding paid-up Four and one-half per cent (4½%) Cumulative Redeemable Preferred Shares of the Company has been declared payable June 15, 1948, to shareholders of record as at the close of business on May 14, 1948. The transfer books will not be closed.

By order of the board.
Frank Hay,
Secretary
Toronto, April 16, 1948

MAPLE LEAF MILLING Company Limited
DIVIDEND NOTICE

Notice is hereby given that a Dividend of Fifty Cents per Share has been declared on the Common Stock of the Company, payable on the Fifteenth Day of May, 1948, to Shareholders of Record at the close of business on the Twenty-third Day of April, 1948.

By Order of the Board.
G. H. HAND,
Secretary.
Toronto, Ontario,
April 12th, 1948.

Hallnor Mines, Limited
(No Personal Liability)
DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Seven Cents per share, payable in Canadian funds, has been declared by the Directors of Hallnor Mines, Limited (No Personal Liability) payable June 1st, 1948, to shareholders of record at the close of business May 10th, 1948.

By Order of the Board.
J. R. BRADFIELD,
Secretary.
Toronto, Ontario,
April 15th, 1948.

Disher Steel Construction Co., Limited
DIVIDEND

Notice is hereby given that a dividend of One and 50/100 Dollars ($1.50) per share has been declared on account of arrears of dividends on the Class "A" Cumulative Redeemable Preference Shares of the Company, payable May 1st, 1948, to Shareholders of record at the close of business April 24th, 1948.

By Order of the Board,
DONALD H. ROWAN,
Secretary.
Toronto, April 15th, 1948.

The John Bertram & Sons Company Limited
DIVIDEND NOTICE

Notice is hereby given that a dividend of Twenty-five cents (25c) per share has been declared on the outstanding Class "A" stock of this Company, payable May 15th, to shareholders of record April 30th, 1948.

J. W. McNAB,
Secretary.
Dundas, Ontario.
April 14th, 1948.

The John Bertram & Sons Company Limited
DIVIDEND NOTICE

Notice is hereby given that a dividend of Five cents (5c) per share has been declared on the outstanding Class "B" stock of this Company, payable May 15th, to shareholders of record April 30th, 1948.

J. W. McNAB,
Secretary.
Dundas, Ontario.
April 14th, 1948.

DIVIDEND NOTICES

BANK OF MONTREAL
ESTABLISHED 1817
DIVIDEND NO. 340

NOTICE is hereby given that a DIVIDEND of TWENTY CENTS per share upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after TUESDAY, the FIRST day of JUNE next, to Shareholders of record at close of business on 30th April, 1948.

By Order of the Board,
GORDON R. BALL,
General Manager.
Montreal, 13th April, 1948.

The Royal Bank of Canada
DIVIDEND No. 243

NOTICE is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this Bank has been declared for the current quarter and will be payable at the Bank and its branches on and after Tuesday, the first day of June next, to shareholders of record at the close of business on the 30th day of April, 1948.

By order of the Board.
JAMES MUIR
General Manager.
Montreal, Que., April 13, 1948.

WAITE AMULET MINES, LIMITED
DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Thirty Cents (30c) per share payable in Canadian funds has been declared by the Directors of Waite Amulet Mines, Limited, payable June 10th, 1948, to shareholders of record at the close of business May 10th, 1948.

By Order of the Board,
J. R. BRADFIELD,
Secretary.
Toronto, Ontario,
April 16, 1948.

Dominion Steel and Coal Corporation Limited
DIVIDEND NOTICE

Notice is hereby given that subject to obtaining the approval of the Foreign Exchange Control Board of Canada a special dividend of 25 cents per share on the outstanding Common Class "B" shares of the Capital Stock of this Corporation has been declared payable on 20th May, 1948, to shareholders of record at the close of business on 19th April, 1948.

By Order of the Board.
R. C. McDONALD,
Secretary.
Montreal, P.Q.,
April 13, 1948.

Federal Grain, Limited
DIVIDEND NOTICE

NOTICE IS HEREBY given that a Dividend of $2.00 per share on the 6½% Cumulative Redeemable Preference Shares of the Company, on account of arrears of Dividends, has been declared, payable May 15, 1948, to shareholders of record at the close of business on April 30, 1948.

The transfer books of the Company relating to the said Preference Shares will be closed from the close of business on April 30, 1948, until the close of business on May 15, 1948.

By Order of the Board.
A. R. STRACHAN,
Secretary.
Winnipeg, Manitoba,
April 13, 1948.

McIntyre Porcupine Mines, Limited
(No Personal Liability)
DIVIDEND NO. 127

Notice is hereby given that a dividend of fifty and one-quarter cents (50¼c) per share in Canadian currency will be paid on June 1, 1948, to shareholders of record at the close of business May 1, 1948.

By Resolution of the Board.
W. B. DIX,
Treasurer.
Dated at Toronto, April 15th, 1948.

NOTICES

DOMINION STEEL AND COAL CORPORATION LIMITED
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that the Annual General Meeting of the Shareholders of DOMINION STEEL AND COAL CORPORATION LIMITED will be held in the Assembly Room on the Third Floor of The Royal Bank of Canada Building, 360 St. James Street West, in the City of Montreal, P.Q., Canada, at 10.30 o'clock a.m., Daylight Saving Time, on Friday, the 7th day of May, 1948, to receive the Report of the Board of Directors for the year 1947, to elect a Board of Directors and to transact any other business that may properly come before the meeting.

DATED at Montreal, P.Q., this 19th day of March, 1948.

By Order of the Board,
R. C. McDONALD,
Secretary.

DOMINION COAL COMPANY, LIMITED
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that the Annual General Meeting of the Shareholders of DOMINION COAL COMPANY, LIMITED, will be held in the Assembly Room on the Third Floor of The Royal Bank of Canada Building, 360 St. James Street West, in the City of Montreal, P.Q., Canada, at 11 o'clock a.m., Daylight Saving Time, on Friday, the 7th day of May, 1948, to receive the Report of the Board of Directors for the year 1947, to elect a Board of Directors and to transact any other business that may properly come before the meeting.

Dated at Montreal, P.Q., this 19th day of March, 1948.

By Order of the Board,
R. C. McDONALD,
Secretary.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADA FLOORING CO., Mount Royal, Que., net profit was $120,848 for the fiscal year ending Oct. 31, 1947,—up 28.1% from 1946. Sales were $1,587,720 (1,174,817).

The new kiln was completed and began operating toward the end of the fiscal year. A third flooring-machine was placed in operation, and the company recently received a fourth. Considerable repair work was done, and two new boilers were installed, while a third will be completed in about three months, doubling previous capacity.

The company suffered from a fire during the year, which stopped its facilities a certain time. The factory is now back in full production.

Demand continues strong and orders on hand represent four months production at full capacity.

If prices hold, directors anticipate a considerable increase in profits for the current year, President Aristide Cousineau states.

INCOME ACCOUNT

Years Ended Oct. 31:	1947	1946
Net sales	$1,587,720	$1,174,817
Net earnings	254,406	206,775
Less: Deprec.	21,978	5,704
Bond int.	8,016	753
Prov. for taxes	103,564	105,957
Net profit	120,848	94,361
Less: Dividends	40,800	30,600
Surplus for year	80,048	63,761
Earnings per Share and Dividend Record:		
Class A	$2.96	$2.31
Paid	1.00	0.75
Class B	1.96	1.31
None paid.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1947	1946
Cash	$281,565	$118,234
Investments at cost	......	201,983
Accts. rec.	132,672	118,271
Inventories	369,886	389,757
Total curr. assets	784,123	828,245
Deferred exp.‡	9,882	12,355
Misc. assets▲	45,527	50,555
Fixed assets*	474,690	255,310
Total assets	1,314,222	1,146,465
Total curr. liab.	225,795	234,282
Funded debt	290,000	201,044
Capital stock	340,000	340,000
Capital surplus	91,854	91,854
Earned surplus▲	366,573	279,285
▲Incl. ref. EPT	45,527	45,527
*After deprec. of	277,965	264,475
‡Incl. in curr. assets in co's. report.		
Working capital	558,328	593,963

JOHN A. LANG & SONS LTD. Kitchener, consolidated net profit was $382,238 for 1947, up 48.2% from 1946.

Activities were extended during the year by acquisition of all issued shares of C. S. Hyman Co. London, Ont. (manufacturers of sole leathers and sole leather products for the shoe manufacturing and shoe repair trades). It in turn owns all the issued shares of Hyman Leathers Ltd. and 94.6% of the issued shares of Murray-Selby Shoes Ltd.

As a result of removal of ceiling prices on hides and leather on Sept. 15 and the following sharp rise in the prices of hides and leathers, inventory prices are considerably higher than a year ago, but it must be considered also that this figure represents stock in trade of five operating companies instead of two, Chairman of the Board Joseph H. Lang states. Directors authorized transfer of $300,000 from earned surplus to increase the inventory reserve to $350,000.

Substantial expenditures were made to improve operating conditions and productive capacity of certain of the plants. In addition, expenditures of over $190,000 were made for new machinery and equipment, (larger portion of this amount being expended on the Kitchener and Barrie plants).

"Plans for 1948 are based on continued improvement of products and enlargement of our market, in order that we may place our company in an even more favourable competitive position," Mr. Lang states.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$962,403	$470,819
Less: Deprec.	69,657	26,323
Prov. for taxes	405,360	190,000
Debent. int.	9,792	......
Minority int.	1,417	......
Subs. prof. pr. to acquis.	100,128	......
Add: Asset sale	6,189	3,540
Net profit	382,238	258,036
Less: Dividends	100,000	100,000
Surplus for year	282,238	158,036
Earnings per Share and Dividend Record:		
Com.: Earned	$3.82	$2.58
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$374,518	$106,932
Accts. rec.	632,947	299,400
Life ins. c.s.v.	153,068	135,345
Inventories	2,086,124	929,053
Total curr. assets	3,246,657	1,470,730
Prep. exp.‡	24,325	19,230
Misc. assets	217,863	91,676
Fixed assets*	966,610	255,722
Total assets	4,455,455	1,837,358
Bank loan	137,321	......
Accts. & tax. pay.	656,077	390,475
Divds. payable	25,000	25,000
Total curr. liab.	818,398	415,475
Funded debt	1,500,000	......
Min. int.	22,302	......
Inventory res.	350,000	50,000
Capital stock	333,400	333,400
Capital surplus	430,651	......
Earned surplus	†1,000,704	1,038,483
*After depr. of	954,811	326,765
†After $300,000 provision for invent. res. and incidental provision.		
‡Incl. in curr. assets in co's. report.		
Working capital	2,428,259	1,055,255

WINNIPEG ELECTRIC CO. 1947 net profit was up 41.4%. Gross earnings were up $282,078, but were largely offset by an increase in operating expenses of $219,583 on account of greater labor and material costs.

Net income shows an increase of $398,006, due largely to a saving of $251,095 in bond interest as a result of 1946 refinancing, and to a reduction of $193,500 in income and excess profits taxes.

Demand for electricity showed a steady increase. The three hydro-electric power plants generated 1,277,514,800 kw.h., an increase of 4.7%. Gross revenue from sale of electricity showed an increase of $418,648 or 8.1%. During the year 5,707 new services were connected, of which 1,995 were for lighting, 1,737 for cooking, 1,904 for water heating and 71 for power. These new services added 35,228 h.p. to connected load.

Extension of Seven Sisters Falls plant, now under way at an estimated cost of approximately $8 millions, comprises the removal of about 653,000 cu. yards of rock from the river bed, to form a discharge channel 140 ft. in width and 3,900 ft. in length, the raising of earth dykes above the plant some 14 ft., and the ultimate flooding of 3,500 acres of land. Effect of this will be to increase the head from present 38 ft. up to 66 ft. and thereby raise capacity of the present three units by 50,000 h.p.

Two additional units are also on order, one to be installed at end of 1949 the other at end of 1950, and work will start this spring on completion of power house building to house the units. When work is completed, there will be space for one more 37,500-h.p. unit.

During the year streetcars, electric trolley buses and gasoline motor buses carried 102,802,620 revenue passengers, 3,180,650 fewer than in 1946. This drop is accounted for almost wholly by the fact that there were approximately 6,000 more automobiles licensed in Winnipeg area. Operating expenses were about 3% higher due to higher wages and increased cost of materials. Modernization of the system, that is, conversion of street railways operation to electric trolley bus and gasoline motor bus, has proceeded as rapidly as the company has been able to obtain new equipment. During the year two routes were converted to trolley bus operation. Forty-four new trolley buses and 20 new gasoline buses were received and put into operation, and three new substations were built to provide additional power required.

The company has applied to the Municipal and Public Utility Board for approval of a new fare schedule, estimated to raise the average fare from the present 6.6 c to 8.1 c.

The gas utility showed an increase in cubic foot sales of 3.5%, and in revenue of 4.35%. Peak load sendouts continue to run 35% over the original capacity of the plant, but additions to the original liquid petroleum gas plant have enabled this to be carried with no difficulty. Two additional 30,000-gal. propane storage tanks were installed during the year, with additional vaporizing equipment, together with facilities for loading propane into steel cylinders. An agreement has been entered into with Home Gas Ltd. to load its cylinders with liquid propane which it distributes to customers in rural Manitoba.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1947 $	1946 $
Gross earn. from op.	13,246,236	12,964,158
Gross income	6,399,864	6,358,820
Less: Deprec.	2,240,502	2,141,847
Bond interest	1,035,167	1,286,262
Other interest	38,864	40,002
Taxes	765,153	766,932
Amort. bd. disc. & exp.	......	5,195
Other inc. ded.	846	3,756
Inc. tax res.	961,500	1,155,000
Net income	1,357,832	959,826
Less: Pref. div.	250,000	250,000
Common div.	557,495	282,494
Surplus for year	550,337	427,332
Times Bond Interest Earned:		
1st mtge. bds.:		
Before depr.	5.41	4.32
After depr.	3.24	2.65
Earnings per Share and Dividend Record:		
Preferred	$27.16	$19.20
Paid	5.00	5.00
Common	1.96	1.26
Paid	1.00	0.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$593,380	$1,238,063
Accts. rec.	*945,800	750,798
Spec. deposits, etc.	145,330	310,187
Inventories	1,186,797	875,770
Total curr. assets	2,871,307	3,174,818
Prepaid items‡	94,163	50,766
Investments*	2,996,011	4,132,011
Misc. assets▲	318,503	303,608
Fixed assets	79,581,934	76,772,588
Total assets	85,863,917	84,433,791
Accts. & tax. pay.	1,959,289	1,922,793
Other curr. liab.	533,780	734,144
Total curr. liab.	2,493,069	2,656,937
Funded debt	27,600,000	28,000,000
Depreciation	33,850,304	32,173,617
Other liabs.	1,965,529	1,941,638
Capital stock	16,419,868	16,666,199
Surplus▲	3,535,147	2,995,400
*Incl. Dom. and co's. own bonds.		
Market value	3,000,000	4,127,000
▲Incl. ref. EPT	219,800	219,800
‡Shown in current assets in co's. report.		
Working capital	378,238	517,881

PROVINCIAL TRANSPORT CO. 1947 net profit was off 16.8%. While the total operating revenue shows a substantial increase, expenses also increased, due to wage adjustments, taxes and the general upward trend of cost of supplies and other expenses. The company operated 2,832,604 miles more than in 1946, as a result of increasing mileage on many lines and providing service on new routes. Long-distance travel increased.

Some services were extended and enlarged, and several entirely new ones were established. The company's lines now connect the principal cities and towns of Quebec and Eastern Ontario. Miles operated in interurban services were 16,483,147 as against 13,759,353. Passengers carried were 14,524,349—an increase of 2,198,412. Special charter travel has grown this year. The company now serves 640 communities, and is represented by 382 agencies, located at various points on the company's system.

During the year both the Kingston City Coach Co. and the Sherbrooke City Transit Co. enjoyed increased traffic. In Kingston 4,998,796 passengers were carried—an increase of 337,334; in Sherbrooke, 5,538,080, an increase of 635,651.

During 1947, 91 new buses were purchased—at end of year the company operated 394 buses. Sixty buses are now on order for delivery in 1948. Construction of garage and terminal in Kingston has progressed slowly, but the garage is now in partial use, and will be finished soon. The terminal has been substantially completed, and will be in operation for the commencement of summer travel, it is stated.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$1,202,089	$1,571,707
Less: Deprec.	563,107	567,056
Interest	10,281	7,576
Inc. tax res.	289,200	527,200
Add: Equip. sale	51,337	......
Net profit	390,838	469,875
Less: Dividends	315,000	150,000
Surplus for year	75,838	319,875
Earnings per Share and Dividend Record:		
Common	$1.12	$1.34
Paid	†0.90	0.50
†Incl. 30c payable Feb. 16, 1948.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash, govt. secs., etc.	$268,968	$1,828,285
Accts. rec.	2,053,781	119,850
Inventories	326,160	229,200
Total curr. assets	2,648,909	2,177,333
Misc. assets▲	602,298	536,181
Fixed assets*	4,232,111	2,505,996
Franchises	816,687	491,448
Total assets	8,300,005	5,710,960
Total curr. liab.	1,747,849	1,152,770
Funded debt	2,000,000	......
Mtge. pay.	......	105,000
Reserves	542,675	542,675
Capital stock	2,525,482	2,525,482
Surplus▲	1,484,799	1,385,033
*After depr. of	3,310,746	2,998,185
▲Incl. ref. EPT	485,925	485,925
Working capital	901,060	1,024,563

NOTICES

MONTREAL TRAMWAYS COMPANY
ANNUAL GENERAL MEETING

NOTICE is hereby given that in accordance with the By-laws of the Company, the Annual General Meeting of the Shareholders of Montreal Tramways Company will be held at the Company's offices, Tramways Building, 159 Craig Street West, Montreal, P.Q., at 12 o'clock noon, on Thursday, the 29th day of April, 1948. This meeting will be held for the reception of the Annual Report, Election of Directors, and the transaction of such other business as may legally come before said meeting.

The Transfer Books will be closed from the 9th day of April, 1948, to the 28th day of April, 1948, both days inclusive.

By Order of the Board,
T. D. ROBERTSON,
Secretary-Treasurer.
Montreal, February 20th, 1948.

Charge CCF Hospital Body Is 'Conscripting' Nun-Nurses

From Our Own Correspondent

REGINA—The Catholic Hospitals Conference of Saskatchewan has bluntly told the Government's Hospital Services Planning Commission that the disposition of salaries of nuns engaged in hospital work is not the business of the Commission and that this information will not be divulged to Commission inspectors and auditors.

A delegation from the conference told Premier Douglas and members of the Commission the Commission was in actual fact "conscripting the sisters, and commandeering their pay."

Under the present changeover in payments to hospitals from the point system to the cost system, hospitals are required to open their accounts to auditors of the Commission. Under the hospital accounting manual, nuns are permitted to charge their salaries as an expense; but hospitals are required to set up a detailed report on each individual, and the difference between the gross salary and their cost of keep is required to be taken back into the revenue of the hospital.

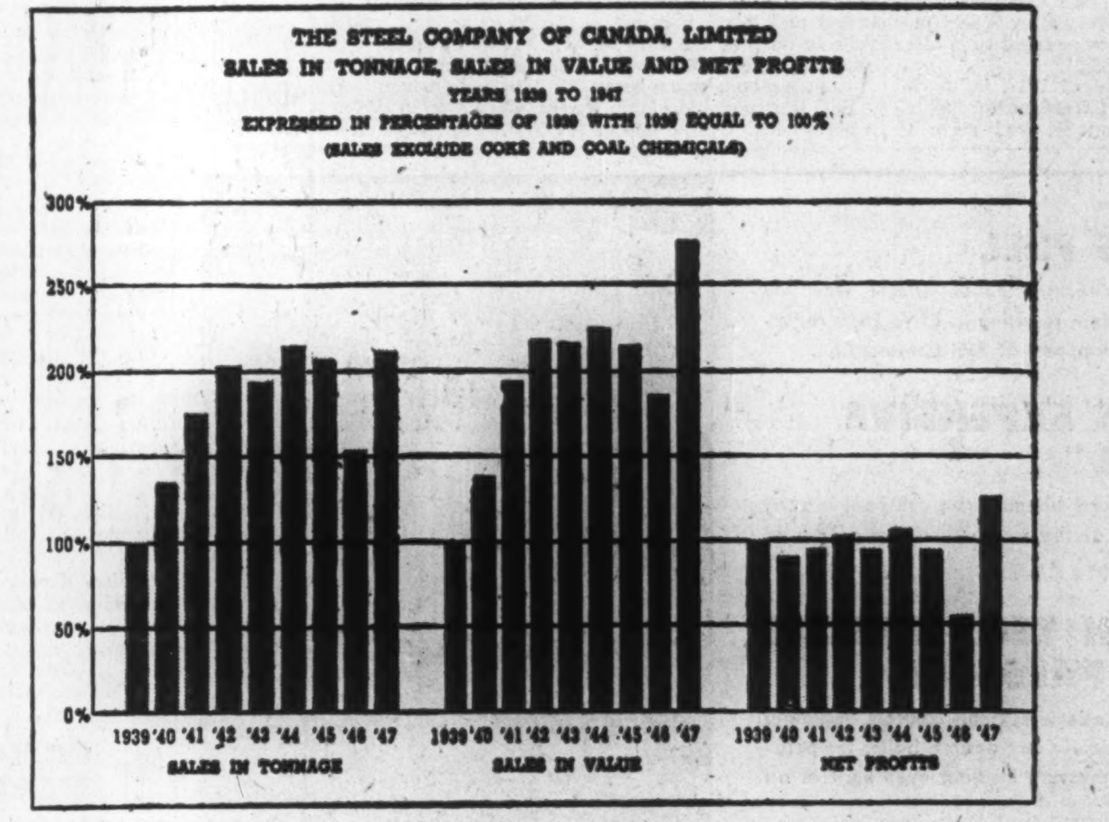
Lay employees of hospitals are not required to account for their salaries, and nuns are asking equal treatment, the spokesman said.

CHESKIRK MINES continued diamond drilling on west group of claims in Lynn Lake area, Man., in 1947. Thirteen holes were drilled with results showing well-mineralized sections of sulphides, hornblendite and diorite and low copper and nickel showings. The east group of 48 claims west of Farley Lake has been sold to Cheslynn Mines for 700,000 shares. Current assets were $41,366 and current liabilities $400 at Dec. 31, 1947.

BEVCOURT GOLD MINES has received payment for April 10 underwriting of 60,000 shares at 50 cents a share. Issued capital is 3,020,000 shares.

STELCO IN 1947

The record expressed in the chart below is particularly remarkable on account of the difficulties encountered during the last year in securing adequate deliveries of scrap, coal, coke, iron ore and fuel oil in suitable quantity, as well as other important materials and supplies. That ingot output was maintained at 98.6% of rated capacity and at less than 2% below the war-time peak production of 1944, is a notable achievement in view of the conditions under which it was accomplished.



(A copy of the Annual Report may be obtained from the Secretary of the Company at Hamilton, Ont.)

THE STEEL COMPANY OF CANADA, LIMITED
AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS, DECEMBER 31, 1947 AND 1946

ASSETS

	1947	1946
CURRENT ASSETS		
Cash on hand and in banks	$ 1,885,512	$ 3,180,007
Guaranteed call loans and deposits with trust companies	1,500,000	—
Dominion of Canada bonds and other securities (market value December 31, 1947, $16,979,000; 1946, $8,196,000)	16,773,601	7,961,979
Due from employees on Dominion of Canada bond subscriptions (secured)	433,476	320,231
Accounts and notes receivable, less reserve	12,421,298	7,078,838
Inventories of raw materials, supplies and products, as determined and certified by responsible officials of the companies and valued at the lower of cost or market, less reserve	14,835,878	11,525,373
	$47,849,765	$30,066,428
INVESTMENTS — NON-CURRENT		
Interest in coal mining properties, and investments in and advances to associated coal and ore mining companies	$ 5,231,914	$ 2,744,875
FIXED ASSETS		
Cost of works owned and operated	$ 92,826,422	$79,847,021
Less: Depreciation reserve	51,803,767	48,856,511
	$41,022,655	$30,990,510
OTHER ASSETS		
Benefit Plan—cash and investments	$ 840,267	$ 844,919
Refundable portion of excess profits taxes	944,323	913,539
	$ 1,784,590	$ 1,758,458
DEFERRED CHARGES		
Taxes, insurance and other expenses paid in advance	$ 88,148	$ 57,396
	$95,977,072	$65,617,667

Approved on behalf of the Board,
R. H. McMASTER } Directors
H. G. HILTON }

LIABILITIES

	1947	1946
CURRENT LIABILITIES		
Accounts payable and accruals	$ 7,123,349	$ 4,414,486
Provision for income, excess profits and other taxes, less paid on account	4,264,904	2,465,504
Unclaimed dividends	17,465	15,492
Dividends payable February 1, following year		
On Preference shares	194,889	194,889
On Ordinary shares	345,000	345,000
Secured serial note payable November 24, 1948	500,000	—
	$12,445,607	$ 7,435,371
FUNDED DEBT		
3¼% Sinking Fund debentures due May 1, 1967	$20,000,000	—
Secured serial notes payable in annual instalments, November 24, 1949 to 1952	2,065,500	—
	$22,065,500	—
FURNACE RELINING AND REBUILDING AND OTHER OPERATING RESERVES	$ 3,258,692	$ 3,148,754
BENEFIT PLAN RESERVE	$ 840,267	$ 844,919
RESERVE FOR CONTINGENCIES	$ 2,588,673	$ 2,588,673
CAPITAL STOCK		
Authorised 400,000 — Issued 259,852 — 7% Cumulative Preference shares (participating)—par value $25.00 each	$ 6,496,300	$ 6,496,300
Authorised 600,000 — Issued 460,000 — Ordinary shares—no par value	11,500,000	11,500,000
	$17,996,300	$17,996,300
SURPLUS		
Earned surplus—per accompanying statement	$ 35,837,710	$32,690,111
Refundable portion of excess profits taxes	944,323	913,539
	$36,782,033	$33,603,650
	$95,977,072	$65,617,667

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the books and accounts of The Steel Company of Canada, Limited, and its subsidiary companies for the year ended December 31, 1947, and report that we have verified the cash on hand, bank balances and all securities and have obtained all the information and explanations which we have required and that, in our opinion, the above consolidated balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the companies' affairs at December 31, 1947, according to the best of our information and the explanations given to us and as shown by the books of the companies.

RIDDELL, STEAD, GRAHAM & HUTCHISON,
Toronto, Ontario, February 28, 1948. Chartered Accountants, Auditors.

STATEMENT OF CONSOLIDATED PROFIT AND LOSS
FOR THE YEARS ENDED DECEMBER 31; 1947 AND 1946

	1947	1946
PROFIT FROM OPERATIONS after deducting depreciation and all expenses of manufacturing, selling and administration	$ 5,720,893	★$ 2,236,706
Add		
Net income from securities and profit from sales	219,974	213,472
	$ 5,940,867	$ 2,450,178
Deduct		
Interest on funded debt	$ 373,159	—
NET PROFIT FOR THE YEAR	$ 5,567,708	$ 2,450,178

The following amounts have been charged before determining the profit for the year:

	1947	1946
Provision for depreciation (1947 figure includes depreciation on certain assets partly completed)	$3,573,328	$1,860,624
Provision for income and excess profits taxes	4,881,214	1,425,011
Contribution to Pension Trust Fund	800,000	300,000
Directors' fees	16,000	14,000
Remuneration of executive officers	198,452	205,400
Legal expenses	13,000	20,074

STATEMENT OF CONSOLIDATED EARNED SURPLUS
FOR THE YEARS ENDED DECEMBER 31; 1947 AND 1946

	1947	1946
Balance at beginning of year	$ 32,690,111	$32,173,767
Add		
Net profit for the year	5,567,708	2,450,178
Profit from sale of properties	164,847	—
Inventory adjustments applicable to previous years, less income and excess profits taxes thereon	—	225,722
	$38,422,666	$34,849,667
Deduct		
Debenture discount and expense	$ 425,400	—
Dividends declared during the year		
Preference shares at $3.00 per share	779,556	$ 779,556
Ordinary shares at $3.00 per share	1,380,000	1,380,000
	$ 2,584,956	$ 2,159,556
Balance at end of year	$35,837,710	$32,690,111

★Profit from operations for 1946 ($2,236,706) reflects expenses and loss of revenue resulting from strikes at several of the Company's plants during that year.

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LABOR ROUNDUP

By RONALD WILLIAMS

CIO-CCL Adopts 'No Strike' Policy Has Sights on 12-14c Wage Target

In Canada, as in the United States, primary steel has become the most reliable industrial barometer of management - labor weather. When the CIO Steelworkers settled amicably three weeks ago with the Steel Co. of Canada, forecasters thought the probs read fair and warm.

Last week in Calgary their predictions seem to have been confirmed: CCL Vice-President Alex McAuslane said the CIO-CCL had adopted a "no-strike" policy for 1948. Labor relations observers did not take this to mean that there would be no CIO-CCL strikes at all. But it was the best report received so far, for industrial peace in 1948.

The only storm signal appeared to be the violent reaction of the Communist press to the 13½c an hour settlement with Stelco. The Tribune screamed "sell-out" at Steelworkers Director Charles Millard. He was charged with "scuttling his fighting pledges."

(In announcing settlement, the big steel union announced it had dropped its demand for the 40-hour week because of the "serious national and international situation.")

Having been given a lead in their press, it wasn't long before Communist labor men were parroting the "sellout" cry. Yet in almost the same breath, the Red-run CIO Electrical Workers accepted an 8c an hour conciliation recommendation at Rogers Majestic in Toronto.

Besides adopting a no-strike policy, the CCL also seemed to have set the 1948 wage pattern at 12c-14c. If all the powerful anti-Communist unions could get that much or come close to it, many observers believe the wind would be taken out of the Communist sails, particularly in view of the UEW settlement at Rogers at the lower figure.

• • •

Auto Industry Next on List

The next big test will come in the auto industry. No specific demand has been announced but 25c an hour is being mentioned. Current average wages in the industry: $1.21. They demanded 25c in 1946, got 12-13 cents. Last year, they asked for 15c, got 8c-12c.

Because of the still powerful pro-Communist element in the UAW, particularly in the District Council which formulates policy, this 50,000-member union could upset the CCL's no-strike policy. However, it's doubtful if the auto workers would respond to a strike call to get more than the established pattern of 12c-14c.

• • •

Sea Getting Rough In Shipping Dispute

The storm signals which have been flying over the Great Lakes labor scene since last summer, are proving accurate warnings of what was to come: The Communist-controlled Canadian Seamen's Union, the rival anti-Communist Canadian Lake Seamen's Union and the shipping operators were squaring off for what looked like a battle royal.

Ex-Communist Pat Sullivan, former boss of the CSU, reportedly had 1,000 men at his command to make good his contracts and man lake ships. Egged on by their Red leaders, CSU seamen appeared ready to fight. Already at midweek there had been several brief skirmishes giving promise of more serious clashes later on.

At Goderich, Ont., CSU crewmen were replaced on two freighters by CLSU men. The latter, protected by 20 Provincial police, got aboard through a barrage of flying stones. One substitute who lagged behind was caught by CSU pickets and tossed into the water. The vessels sailed shortly after.

Later, a CSU boarding party scrambled on to another vessel also tied up at Goderich. The Skipper, and his two mates were roughed up until they agreed to let the CSU organizer talk to six crewmen. All six finally quit the ship.

At Windsor, Ont., CSU patrols waiting to intercept the SS Superior, were given the slip: the vessel didn't stop but continued from Goderich to Amherstburg.

At Midland, Ont., over the weekend, 20 CSU men were driven off the Canada Steamship Lines dock by angry shipyard workers. Manned by a rival CLSU crew, the SS Viscount Bennett sailed at dawn. Sixty CSU men who claimed they have been "locked out" were sleeping in the basement of a Roman Catholic Church in Midland.

Meanwhile, in Toronto, Dewar Ferguson, CSU business agent and former LPP alderman, swore out 12 charges of contract violation against four companies.

• • •

Maintenance of Dues Leads Union Security

A United States survey of 100 union contracts since last August discloses some interesting facts about the attitude of employers to union security demands. In 66 cases, some form of union security was granted although in no instance was the closed shop among them. (This is specifically banned by the Taft-Hartley Labor Act.)

Here is what the survey disclosed:

Maintenance of dues is apparently the most popular form of union security. Of the 66 contracts which provided for some form of union security, 28 granted maintenance of dues. Union shop conditions were agreed to in 17 cases; membership clause in 15.

An analysis of 230 contracts signed since last June 23, the effective date of the check-off section of the Taft-Hartley Act, shows that in 168 (or 73%), the negotiators agreed to check-off clauses; in 62 (or 27%) they did not.

Check-off clauses in the 230 contracts break down into five types:

Employer agrees to automatically deduct dues and other monies from wages and turn the money over to the union (3% of contracts).

Involuntary irrevocable: Employer agrees that to secure and keep his job, a worker must sign a form authorizing the employer to deduct union dues and other monies from his wages (2.2% of contracts).

Voluntary irrevocable: Employer agrees to deduct union dues and other monies only if the worker signs a form authorizing him to do so, such authorization being not irrevocable for more than one year or beyond the termination date of the contract, whichever is sooner (28.3% of contracts).

Year-to-year voluntary irrevocable: Employer agrees to deduct dues and other monies if the worker signs a check-off authorization. If not revoked at the end of a year or the end of the contract, it goes into effect for another year (15.7% of contract).

Voluntary revocable: Employer agrees to deduct union dues and other monies if the worker signs a form authorizing him to do so. This authorization can be revoked at any time the worker sees fit (23.9% of contracts).

Immigrants Relieve Farm Shortage

The Department of Labor hopes that the farm labor shortage will be considerably relieved in 1948 by Canada's immigration policy. Before the agricultural season gets into full swing some 2,500 Dutch families, numbering 10,000 people in all, will be coming to the country to work on farms.

In addition, some 2,000 single men from Displaced Persons camps in Europe will arrive this spring and summer, also to help out on farms. These are in addition to the 500 DP domestics who are to be placed in farm homes and about which an announcement was recently made.

It is also believed that considerable volume of agricultural labor will migrate here from Britain.

Of the DP immigrants, 60 families and 550 single men will be employed on sugar-beet farms in Manitoba and Alberta. Most of these will be given year-round work but those who cannot be employed on this basis will be placed in mines and woods operations after farm work has been completed.

• • •

B. C. Changes Labor Law

When British Columbia's Labor Minister Gordon Wismer brought down the announced revisions in B. C.'s contentious year-old labor Act, there was considerable eyebrow raising: the changes were much broader than most had expected:

—Individual strikers will not be charged in the event of an illegal strike; only unions and union officials.

—Employee protection against employer interference with union activity strengthened.

—Conciliation procedure cut to a 57-day maximum unless both sides agree to an extension.

—Provision for "cease and desist" orders similar to the U. S. Taft-Hartley Act, when either side violates the law.

—The new Labor Relations Board can order a supervised vote on what it considers a reasonable offer by an employe while a strike is on.

—To remove deadlocks, such as in last year's meat strike, companies with national operations must appoint B. C. representative to complete bargaining agreements.

No change in procedure for government supervised secret strike votes and no restriction on unions dominated by Communists.

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THIS WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Oil Stocks

High	Low	Div. Rate $	Yield %	Company	Sales	Last Apr. 9	High	Low	Close
.82	.50	.02½	3.5	Globe	267,801				
.03½	.02			Grease Creek	21,000	.02½	.02½	.02½	.02½
.13	.06			Hargal	14,600	.10	.10	.09	.09
.15½	.07½			High Sarcee	16,542	.10	.11½	.10	.10½
7.75	5.25	§.15 and .05		Home	76,757	6.90	7.75	6.95	7.35
.22	.10			Leduc Cons.	11,900	.17½	.18½	.17	.17
.85	.60			Leduc West	67,980	.76	.85	.75	.80
.02½	.01			Lethbridge	20,200	.01½	.01½	.01½	.01½
.55	.40			Lowery	1,050	.50	.50	.40	.50
.15	.08			McD. Segur	10,100	.09½	.11	.09½	.10
.08½	.03½			McLeod	18,400	.04½	.04½	.04½	.04½
.17	.09½			Mercury	48,800	.14	.15	.13	.13
.11	.05½			Midcont	85,500	.08	.09	.08	.08½
.15½	.07			Mill City	27,800	.10	.13	.11	.12
.35	.22			Model	1,200	.25	.26	.25	.25
.33	.18			Nat. Pete.	1,100	.22	.22	.21	.21
.33	.22			N. Pacalta	109,815	.31	.32	.24	.28
.10	.05½			New Ranch	28,000	.07½	.09	.07½	.08½
.20	.14			Norcon	700	.14	.15	.15	.15
1.76	.90			Okalta	170,415	1.42	1.76	1.42	1.60
1.25	.80	.10	9.5	Pac. Pete.	36,956	.96	1.09	.99	1.05
.04½	.02½			Phillips P.	52,500	.03½	.04½	.03½	.04
.16½	.08			Princess P.	23,100	.10½	.11	.10½	.10½
.06	.03			Richfield	2,225	.03½	.04	.03	.03½
.49	.25			Roxana	7,000	.30	.30	.26	.30
.15	.09			Royal Can.	144,700	.12½	.12½	.10	.11½
.03½	.02½			Royal Crest.	500	.03	.02½	.02½	.02½
19.00	16.00	1.00	5.4	Royalite	1,081	17.12½	18.50	16.00	18.50
.10	.05			Share Roy	5,040	.06	.08½	.06½	.08
.19	.10½			So. Brazeau	35,300	.13½	.15	.13½	.14½
.32	.24			So. West Pete	2,200	.30	.32	.30	.32
.20	.15	†.10½		Spooner	1,100	.18	.18	.16	.16
.10	.08	§.01½		Sunset	1,500	.08½	.10	.08½	.08½
.29	.23			Superior	26,250	.28½	.29	.28	.28
1.25	1.15			Texas Can.	20	1.15	1.20	1.20	1.20
.05½	.05			Three Point	500	.05	.05	.05	.05
.25	.20			Turner V.	1,200	.20	.25	.25	.25
.15½	.09			United Oils	23,300	.10½	.12	.09	.09
.19	.12			Vanalta	7,200	.15	.17	.15	.15½
.35	.20			Vulcan	1,732	.25	.28	.25	.28
.08	.04			Wellington	1,000	.06½	.06½	.06½	.06½
.10	.03½			York Oils	3,000	.07	.06½	.06½	.06½

* N. Y. Funds. x Extra. ‡ Paid in 1946. ‡ Capital Repayment. ♠ Dividend deferred. § Paid in 1947. † Paid or payable in 1948.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Apr. 19	186,900	921,000	107,786	110,408	1,860,000
Apr. 17	77,500	457,000	35,936	23,870	750,000
Apr. 16	230,900	1,315,000	......	122,106	2,570,000
Apr. 15	187,700	1,150,000	75,260	136,254	2,000,000
Apr. 14	166,100	670,000	111,032	59,195	1,310,000
Apr. 13	173,800	822,000	214,681	131,126	1,250,000

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland & Co., Kippen & Co. and Intercity Securities Corp.)

April 19, 1948

	Bid	Ask
Allens Toronto units	40.00	....
Anglo Can. Telephone A	9.50	10.50
Do. pfd.	46.00	47.50
Beauharnois L. H. & Pr.	10.00	11.00
Brandram Henderson	13.50	15.00
British Mtge. & Trust	185.00	195.00
B. C. Sugar	88.00	90.00
Brockville Trust $50 par	60.00	....
Can. Inv. Fund	4.55	5.00
Can. Investors Corp.	7.00	7.75
Canadian Motor Lamp	10.75	11.75
Can. Silk Products	23.00	24.50
Can. West. Nat. Gas, pfd.	18.50	20.00
Capital Wire Cloth com.	11.50	....
Do., pfd.	23.00	....
Cawthra Apts. units	6.50	....
Chase A. W. units	44.00	....
Colonial Steamships com.	91.00	95.00
Commercial Life 10% paid	8.00	....
Commonw'lth Inter. Corp.	3.42	3.76
Confed. Life Assoc. 30 pd.	160.00	....
Continental Life 20% pd.	42.00	....
Cooksville A	9.50	10.50
Do. B	3.50	4.50
Corp. Investors	7.75	8.75
Cuban Can. Sugar com.	4.25	5.50
Detroit Internat. Bridge	11.00	12.50
Dover Industries Ltd.	9.75	10.50
Dunlop Tire pfd.	24.50	26.00
Dupuis Freres pfd.	24.50	25.50
Empire Life Ins. 25% pd.	17.00	19.00
Do. 20% paid	14.50	....
Foreign Power Co.	5.00	7.00
Foreign Power Sec. pfd.	4.00	5.50
Galt Brass com.	34.00	....
Goderich Elev. & Trans.	14.50	15.50
Great West Life	340.00	375.00
Guardian Realty pfd.	44.00	....
Guaranty Co. of N. Amer.	385.00	....
Guelph & Ont. Svgs. $50 p	61.00	....
Gurney Foundry com.	25.00	....
Halifax Ins.	....	14.00
Hart Battery com.	7.50	8.50
Hartz, J. F., A	9.75	10.75
Imperial Life	340.00	380.00
Interprovincial Brick A pf.	....	73.00
Do. B pfd.	....	30.00
Lambton Loan & Inv. $50 p	83.00	87.00
Laprairie com.	4.00	6.00
Do. pfd.	92.00	97.00
Loblaw Groc. Inc.	17.75	18.75
Manufacturers Life Ins.	340.00	380.00
Maxson Food System	.50	....
Monarch Life 30% paid	93.50	....
Monarch Mortgage units	4.25	5.25
Mountainview Apts. pfd.	19.00	....
Nat. Drug & Chem. c. new	7.00	7.75
Do. pfd.	10.00	11.00
New Bruns. Telephone	13.00	13.50
Northern Tel. com.	1.75	2.50
Old Comrades Brewery	1.10	....
Ont. & Que. Ry. 6% cap stk	....	145.00
Paramount Kitchener un.	60.00	....
Peller Brewing com.	6.00	7.00
Do. pfd.	22.00	23.00
Prov. Bank of Canada	16.00	16.75
Prudential Trust	11.00	....
Quality Steels com.	.50	.75
Sawyer Massey com.	1.50	....
Seiberling Rubber com.	5.00	7.50
Sincennes McNaught. Tugs	2.50	....
Sherbrooke Trust	140.00	....
Sovereign Life 25% pd.	36.00	40.00
Standard Fuel pfd.	40.00	45.00
Do. com.	2.00	4.00
Sun Life Assce.	470.00	485.00
Third Can. Gen. Inv.	3.25	3.75
Toronto General Ins.	6.00	....
United Farmers Co-op.	2.50	....
United Steel A pfd.	24.00	25.50
Victoria Trust & Svgs.	133.00	....
Waterloo Manufac. com.	5.00	6.50
Western Assur. com.	63.00	66.00
Western Grain com.	.50	1.00
Do. pfd.	19.00	....
York Trading com.	11.00	....

Dividends Declared

	This payment $	Date payable	Date of record
Agnew-Surp. Shoes	.13	Jun. 1	Apr. 30
Aluminum 4% pf.	.25	Jun. 1	May 5
Anglo-Can. Tel., pf.	.56½	May 1	Apr. 9
Argus Corp.	.15	Jun. 1	Apr. 30
Do. 4½% pfd.	1.12½	Jun. 1	Apr. 30
Atlas Steels	.25	May 1	Apr. 15

Dividends Declared (cont'd)

Imp. Tobacco 4% p.	.25	May 1	Mar. 23
Int. Nickel 7% pf.	†1¾%	May 1	Apr. 1
Intnl. Utilities	†.22½	Jun. 1	May 12
Kerr-Addison Gold	.03	Apr. 28	Mar. 31
Kirkland Lake G.	.02	May 1	Mar. 25
Lamaque Gold	.06	Jun. 1	Apr. 15
Leitch Gold	.02	May 15	Apr. 15
Lewis Bros. Ltd.	.25	Apr. 30	Mar. 31
McArthur Ch. 5% pf	.25	May 1	Apr. 8
McCabe Grain A	.15	May 1	Apr. 15
Do. B	.10	May 1	Apr. 15
McIntyre-Porc.	.50½	Jun. 1	May 1
Wellington Fire Ins.	1.75	Aug. 16	Aug. 12
Westminster P.	.20+.10	Apr. 30	Apr. 9
Geo. Weston	.25	Jul. 2	Jun. 10
Wood, Alex. & James pf.	1.75+1.75	May 1	Apr. 15
Zellers	.37½	May 1	Apr. 15
Do. 5% pfd.	.31¼	May 1	Apr. 15
Do. 6% pfd.	.37½	May 1	Apr. 15

†N. Y. funds. *Initial. ‡For per. Jan. 1-Dec. 31/47. ♠Spec. tax-free distrib. ‡For each 20 shs. held. xSubject to approval FECB.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$15.65	$15.50	$14.57
Hogs	27.85	28.35	21.60
Copper, lb.	.21½	.21½	.21½
Sugar, raw, lb.	.0487	.0488	.06132
Coffee, lb.	.26	.26	.25
Hides	.28½	.27	.27
Weekly Indices			
U. S. Labor	160.6	160.1	148.1
Dow Jones	151.30	149.80	130.22
Fishers	167.6	166.6	161.9
Monthly Indices			
Retail (Mar.)	150.8	150.1	127.8
W'sale (Feb.)	147.3	146.9	118.1
U. S. (Jan.)	165.6	163.2	141.5
Gt. Brit. (Jan.)	212.1	203.5	181.6

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Stocks Not Traded This Week (Continued)

Bouscadillac G. M.	...	.03½	.03½	.07
Bouzan	...	.04	..	.04½
Brazil Gold	...	.02	.01	.06
Bunker Hill	...	.05½	.03½	.07
Cartier Malartic	...	.02½	.03	.04
Celta Devel.	...	.06	.06	.10
Coast Copper	...	1.00	1.00	1.25
Coniaurum	§.04	.75	.72	.75
Crestaurum	...	.23	.22	.24
Cryderman	...	.01½	..	.01½
Dentonia	...	.04	..	..

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Apr. 16 Bid	Ask
Mont. Refrig. & S.	.30	20	22	24
Do. 1st pref.	1.50	29	29½	30
Montreal Tele.	§1.92	47½	..	47½
Moore Corp. pf. A.	♠7.00	286	280	..
Do. pref. B	♠7.00	429	420	..

Mining Stocks

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

April 20, 1948

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	103¼	104¼
3	Mar. 1954	103¾	104¼
3	Nov. 1956	103	103¾
3	May 1957	101¾	102¾
3	Jan. 1959	100¾	101¾
3	June 1960	100¼	101¼
3	Feb. 1962	100	100¼
1½	Nov. 1950	100¼	101¼
3	Oct. 1963	99¾	100¾
3	Sept. 1966	99¼	100¾
1½	Nov. 1949	100¼	101¼
1½	Nov. 1948	100	100¼
Dom. of Canada Bonds:			
3½	Nov. 1951	100¾	101¾
3½	Feb. 1952	102¼	103¼
3	Oct. 1952	101¾	102¾
3	June 1955	101¾	102¾
3	June 1958	101¼	102
4½	Nov. 1959	104¼	104¾
3½	June 1966	101¾	102¼
3	Perpetual	98¼	99¼
4½	Nov. 1958	101¼	102¼
Dom. Guarant'd Bonds — Can. Nat. Railways:			
3	Jan. 1959	100¾	101¾
4½	Sept. 1951	*106¼	*108
4½	Feb. 1956	*110¼	*111¼
4½	July 1957	*112¼	*113¾
4½	June 1955	*111¼	*112¾
5	Oct. 1969	*108¼	*109¼
5	Feb. 1954	112	113¾
5	Feb. 1970	*109	*110¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	*111¼	*113
Grand Trunk Pacific Rly.:			
3	Jan. 1962	*98¾	*100¾
4	Jan. 1962	*108¾	*111¾
Montreal Harbour Com.:			
5	Nov. 1969	*108	*110
Provincial Govt. Bonds — New Brunswick:			
3½	June 1956	100¼	102¼
4½	Apr. 1961	112	114¼
5	Jan. 1960	116	119
2¾	June 1966	89	91
Nova Scotia:			
3	Jan. 1952	101	102¼
3½	June 1956	100¼	102
3½	Nov. 1950	102¼	103¾
4½	Nov. 1960	118¼	121¼
5	Mar. 1960	122¼	125¼
3	June 1958	98¾	100¾
Ontario:			
3½	Nov. 1951	101¼	102¾
3½	May 1955	102¼	103¾
4	June 1962	118	120¼
4½	June 1950	104¼	106
4½	Jan. 1962	123¼	126
5	Oct. 1948	101	102¼
5	Dec. 1960	128	131
2¾	July 1976	91¾	94¼
Ont. Hydro Commission:			
3½	Feb. 1953	101¼	102¾
4	Aug. 1957	114¼	116¼
2¾	June 1971	92	94
Prince Edward Island:			
4	Mar. 1954	101¼	103¾
Quebec:			
3½	Mar. 1959	102¼	103¾
3¾	Feb. 1955	104¼	105¾
4½	Aug. 1958	107¾	110¼
4½	Jan. 1963	114	115¼
3	Feb. 1962	99¼	100¾
4	Nov. 1952	103¾	105¼
Alberta:			
3½	June 1964	100¼	101¾
3½	June 1959	102	104¼
3½	June 1972	101	102¾
British Columbia:			
4	Dec. 1957	112	115¼
4½	Jan. 1951	103¼	105¼
4½	Oct. 1953	114¾	118¼
5	Apr. 1954	116¾	120¼
2¾	Apr. 1966	93	94¾
*5	Sept. 1953	108¾	111¼
Manitoba:			
4	Dec. 1957	112	115¼
4½	Dec. 1956	116	119
5	Dec. 1959	123	126
5½	Oct. 1955	113¾	116¼
Saskatchewan:			
4	Sept. 1954	99	101
4	Nov. 1960	99	101
4½	Oct. 1951	106¾	109¼
5	Aug. 1958	105¾	108¼
4½	Mar. 1960	103¼	105¾
5	Dec. 1959	106¾	109¼
5½	Oct. 1952	104¼	107¼
6	Mar. 1952	105¼	108¼

*N. Y. funds.

Unlisted Mines

Approximate quotations, 3 p.m., April19, subject to confirmation:

	Bid	Ask
Abenakis	2½	3½
Advance	2	4
Alcan	2	4
Alexander	3	5
Aljo	1½	3
Ama Kir	4	6
Anna'que	1½	3
Argonaut	1½	3
Audley	1	2
Aurora Y	9	12
Auterra	½	1½
Baker	3	4
Barb L n	2	4
Beauriv	2	4
Bi Ore	34	37
Biondor	1	2
Blue Grass	1	3
Bouzanne	3	5
Bourl C	2	4
Bradnor	2	4
Br Breest	1	3
Braminco	13	17
Bravo	1½	2½
Bright RL	2½	3½
B McDado	11	13
Burley Po	1	2
Camlaren	4	6
Captain	2	4
Carlmac	2	4
Carricona	2	4
Cassidy	4	6
Cen Mani	6	7
Cock RL	2	3
Columbier	2	3
Con Chib	25	28
Con Cop	13	15
Courageo	1½	2½
Craibbe	4	6
Croydon	3	5
Cuyuni	14	17
Delhi	—	5
Derlak	3	5
De Sant n	4	6
Dom Mal	1	2
Dom Nick	4	6
Dona Pat	1	2
Durham	12½	15
Doris	1	2
Echo Indin	3	5
Electra	4	7
Elmac	3	5
Erin Kirk	1½	2½
Eltoro	18	22
Flicka	1	2
Gan Cop	1½	3
Gilbec	½	1½
Goldpac	15	20
Goodrock	½	1½
Gord Lebel	4	6
Gov Gold	2½	4
Grnd Chib	25	40
Granleduc	42	47
Greenlee	3	5
Grndhog	10	15
Gwilliam	3½	5
Halden	7	9
Habitant	4	6
Harp Mal	1¼	1¾
Hayes Cd	—	2
Hornfault	7	9
Hugh Pam	9	11
Independ	5	7
Joannes D	1¼	3
Kamlac	10	12
Ken Bay	8½	10
Kencour	2	4
Kenda Pe	7	10
Kenroy	1	2
Lk Expa	6	8
Lar-Add	2	4
La Salle	5½	6
Lavalie	2	3
Legardo	1	2
Lingnora	16	19
Louvore	1	2
Macho-R	7	10
Major Oil	4	5
Malen RL	6½	7
Marbenor	7	9
Marquette	2	4
Mar Bird	4	6
Mary Ann	3	6
Mat Con	32	37
Mate Yel	4	6
Metalore	3	6
Miles RL	10	12
Mindus	3	5
do vt	3	5
Mink	4	7
Mistassini	17	19
Moffat H	1½	2½
Mohawk P	2	4
Murbell	1	2
Murmac	17	19
McCuaig	5	6
McManus	5	7
Nat M	12	14
Nayb '45	22	25
Newcore	20	24
New Aug	6	8
New Mal	2½	4
Nw Ranch	8½	10
Nickel L	7	10
N Offsets	250	300
Norbeau	40	50
Norcourt	3½	4½
Norford	1	2
Normar	5	6
Nortyne	1	3
Novele P	2	4
Obalski	4	7
do '45	7	9
Obaska	9	11
Oklend	3	4
Olivet	1½	2½
Opemiska	10	12
Orofino	26	28
Ortona	3½	4½
Pascalis	11	14
Palermo	—	20
Peg Tant	—	40
Pelangio	3	4
Payne	5	7
Phelps	1¾	2½
Pinnacle	1½	2½
Poona Go	1	3
Presdor	1½	2½
Princess	11	13
Princeton	—	20
Privateer	18	23
Quejo	3½	4½
Quest	1½	2½
Rajah RL	2	5
Rambull	—	2
Rand Mal	4	6
Randona	5	7
Raymond	1½	2½
Rebair	—	23
Redruth	1	2
Redwood	6	7
Richgrup	5	7
Rhyolite	1½	2½
Russet	4	6
Salmita	6	8
Santiago	13	16
Sepha	2	3
Sheldon	15	18
Silv Arro	—	15
Skynner	1	2
Sovereign	3	5
Starlight	3½	5
Steeber	¼	1
Sun Bear	8	10
Thornhill	1	2
Tiffany	1½	2½
Tobico	1¾	2½
Tovarich	½	1½
Trans A	60	100
Universal	3	5
Val d'Bel	2	3
Vermilion	30	33
Viking	20	25
Vinray	4	5
Wesley	¾	1½
West RL	2	3
Wilwood	1½	3
Yelknife	125	140
do vt	125	140
Y Davids	18	20

Significant Investors' Index Numbers

(Base 1935-39=100)

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 16	Total co's. 100
*1935 to date: High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1948: Monthly Figures: Jan.	189.8	261.9	113.8	70.5	188.4	117.6	312.6	132.6	101.4	132.5	112.9	107.5
Feb.	179.7	242.7	105.5	65.8	185.3	111.8	294.1	122.5	95.2	129.7	110.1	102.2
1948: Weekly Figures: Mar. 4	185.4	246.2	104.1	65.4	186.7	110.0	291.1	121.1	98.1	127.7	107.8	101.4
Mar. 11	186.4	245.3	104.6	64.7	188.8	109.9	287.4	123.1	97.6	128.5	107.2	101.3
Mar. 18	184.1	235.4	105.8	64.0	179.6	108.5	277.7	120.3	95.7	128.9	106.5	99.3
Mar. 25	185.8	247.9	105.2	66.8	189.4	109.9	302.5	122.2	102.3	126.0	109.2	103.4
Apr. 1	196.9	251.2	108.6	67.7	188.5	110.1	306.4	124.7	102.1	125.1	112.4	105.5
Apr. 8	205.3	250.3	108.6	69.3	193.0	116.0	304.1	130.6	101.5	128.9	114.2	107.6
Apr. 15	212.3	253.6	108.2	69.9	194.7	115.3	307.5	132.0	103.1	128.9	114.9	108.8

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Apr. 19	181.05	56.46	33.77	66.38
Apr. 17	180.38	55.75	33.76	66.01
Apr. 16	180.63	55.86	33.75	66.10
Apr. 15	180.27	55.59	33.63	65.90
Apr. 14	179.12	54.76	33.60	65.39
Apr. 13	179.45	54.98	33.54	65.51
Month ago	173.66	51.76	32.71	63.04
Year ago	169.50	44.71	34.10	60.16
1948 High	181.04	55.86	33.91	66.10
1948 Low	165.39	48.13	31.65	59.89

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Apr. 19	174.74	90.76	94.76	40.32
Apr. 17	173.06	91.04	93.94	39.96
Apr. 16	172.97	91.11	93.88	39.42
Apr. 15	169.71	91.20	92.04	39.40
Apr. 14	168.06	91.80	90.59	38.29
Apr. 13	167.64	92.42	90.10	39.16
Month ago	157.91	94.88	82.55	32.49
Year ago	168.79	105.30	85.52	23.90
1948 High	174.24	104.68	94.76	40.32
1948 Low	149.13	90.76	77.87	28.68

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
Apr. 19	73.6	124.2	107.3	343.87	62.55
Apr. 17	73.6	123.7	107.0	339.08	62.96
Apr. 16	73.4	123.6	106.8	339.36	63.16
Apr. 15	73.5	121.9	105.8	337.85	63.17
Apr. 14	72.5	120.5	104.5	330.69	63.32
Apr. 13	72.6	120.3	104.4	332.60	63.43
Month ago	71.1	111.6	98.1	311.94	67.02
Year ago	75.5	119.2	104.7	321.04	73.00
1948 High	74.5	125.1	108.1	371.48	74.92
1948 Low	70.7	108.0	95.7	290.26	62.55

Company Meetings

1948 Company	Place
—Coniaurum Mines	Toronto
—Cons. Min. & Smelt.	Montreal
—Electrolux Corp.	Dover, Del.
—Ind. Acceptance	Montreal
—Mill City Petrol.	Calgary
—Robt. Mitchell	Montreal
—Anglo Candn. Oil	Calgary
—Coniagas Mines	Toronto
—Cons. Bakeries of Can.	Montreal
—Can. Malting	Toronto
—Gair Co. of Can.	Toronto
—Nat. Drug & Chem.	Montreal
—Nat. Hosiery Mills	Hamilton
—Noranda Mines	Toronto
—Price Bros. & Co.	Quebec City
—Sturgeon River M.	Toronto
—Home Oil	Calgary
—Stedman Bros.	Toronto
—Dome Mines	Toronto
—Can. Iron Found.	Montreal
—Candn. Fairb.-Morse	Montreal
—Famous Players Candn.	Toronto
—Ford Motor of Can.	Windsor
—Goldale Mines	Toronto
—Monarch Knitting	Toronto
—Penmans	Montreal
—Steel Co. of Can.	Hamilton
—Wilsil Ltd.	Montreal
—Wool Comb. Corp. of C.	Toronto
[illegible]ault & Wiborg	Toronto
[illegible]. A. Bank Note	Ottawa
[illegible]andn. Bronze	Montreal
[illegible]amilton Bridge	Hamilton
[illegible]ewis Bros.	Montreal
[illegible]ontreal Loco.	Montreal
[illegible]owell River	Vancouver
[illegible]guenay Power	Montreal
[illegible]gma Mines	Montreal
[illegible]bestos Corp.	Montreal
[illegible]nkfield Cons. M.	Toronto
[illegible]rtune Y'knife M.	Toronto
[illegible]undation of Can.	Montreal
[illegible]. Nickel of Can.	Toronto
[illegible]rcury Oils	Calgary
[illegible]w North Gold M.	Toronto
[illegible]metal Mining	Toronto
[illegible]emont Mining	Toronto
[illegible]fort Gold	Toronto
[illegible]'s Breweries	Winnipeg
[illegible]tern Grocers	Winnipeg
[illegible]minum of Can.	Montreal
[illegible]minium Ltd.	Montreal
[illegible]orne Mines	Vancouver
[illegible]. Oil	Toronto
[illegible]. Paper Corp.	Montreal
[illegible] F'ndries & Forg.	Brockville
[illegible]n. Marconi	Montreal
[illegible] Metal Indust.	Toronto
[illegible]ng Corp.	Toronto
[illegible]real Tramways	Montreal
[illegible] Corp.	Toronto
[illegible] Electric	Toronto
[illegible]pton P. & P.	Montreal
[illegible] Textile Mills	Montreal
[illegible] Bay Mng. & S.	Toronto
[illegible]St. John P. & P.	Montreal
[illegible] Lang & Sons	Toronto
[illegible]real Island Pr.	Montreal
[illegible]wrence Corp.	Montreal
[illegible]wrence Paper	Montreal
[illegible] Amust. Corp.	Montreal
[illegible]us Ltd.	Brantford
[illegible]r Gold	Arntfield, Que.
[illegible]nac M.	Arntfield, Que.
[illegible]ortune M.	Arntfield, Que.
[illegible] Pac. Rlwy.	Montreal
[illegible] Utilities	New York
[illegible] Pub. Service	Montreal
[illegible]n Coal	Montreal
[illegible]eel & Coal	Montreal
[illegible]aper	New York

*Adjourned from Jan. 23, 1948.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
[illegible]	4%	1951	Apr. 29	100
[illegible]	[illegible]%	1948-52	Apr. 15	101
[illegible]	4%	1959	Apr. 15	103
[illegible]	5%	1952	May 15	100.75

Bond Tenders

12 noon, April 22, Canada Treasury Bills—$75,000,000, dated Apr. 23, 1948, payable July 23, 1948.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

April 20, 1948

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
ΔAlg. Cen. H.B.R.	5	'59	63	67	63
†Assoc. Tel. & T.	5½	'55	106¼	...	107
Bell Telephone	3	'77	94¼	97¼	94¼
B. C. Electric	3½	'67	91¼	94¼	91¼
East Kootenay	3½	'67	92	95	92¼
ΔGatineau Pr. D	3½	'70	96	99	96
*Do., C	3	'70	95	...	93¼
Gt. Lakes Pwr.	3½	'67	94	97	94
*Int. Hydro-El.	6	'44	64¼	67¼	64¼
L. St. Law. Pr.	3½	'65	97	100	97¼
†Mtl. Trams. A	5	'55	97	...	97
Nat. Lt. & Pr.	4½	'61	99¼	...	99¼
Ott. L.H. & P.	4	'57	100	...	100
Power Corp.	3½	'67	92	95	91¼
Quebec Pwr.	3	'62	95	98	95
St. Maurice Pr.	3½	'70	94	97	94
Shaw W. & Pr.	3	'71	93¼	96¼	93¼
Do.	3½	'70	98	102	98
Union Gas	4½	'50	99¼	102¼	99¼
United Secs.	3	'52	97¼	...	97¼
Wpg. El.	3½	'71	99¼	102¼	99¼
Industrial and Realty Issues:					
Abitibi Pr. P.	3½	'67	94¼	97¼	94
Acadia-Atlantic Sugar	3½	'68	99	102	99
Aluminum Co.	3½	'74	100	103	100
B. C. For. Pdcts.	4	'66	92	95	92
B.C. Pulp & P.	3½	'67	94	97	93¼
Bowater's Nfld. P. & P.	3½	'68	96	99	95¼
†Brown Co.	5	'59	101	104	101
Burns & Co.	4	'63	96¼	99¼	96¼
Can. Steamship	3½	'57	99	102	99
Can. Brews.	3½	'67	91¼	94¼	91¼
Can. Celanese	3	'62	96	99	96
Can. Oil	3½	'62	96	99	96
Can. West Lum.	4	'62	98	101	98
C. P. R.	3½	'51	102	105	102
Do.	4	'49	101¼	...	101¼
C.P.R.	4	Perp	98¼	102¼	98¼
Consol. Paper	3½	'67	97¼	100¼	97
Dom. Coal	4½	'52	100	...	99
Dom. Scott Inv.	3	'64	90	95	90
Dom. T. & Ch.	3½	'57	100¼	103¼	100¼
Dom. Textile	3½	'59	101¼	...	101¼
Dom. Woollens	5	'64	99	102	99
Dryden Pap.	4	'61	98¼	101¼	98¼
E. B. Eddy	3½	'66	92¼	95¼	92¼
Federal Grain	4	'64	96	99	96
Ham Cotton	3½	'59	99¼	102¼	99
Imperial Tobac.	2¾	'66	94¼	97¼	94¼
Indust. Accept.	3½	'66	94	97	94
Lake St. J. P.	5½	'61	101¼	104¼	101¼
Do.	5	'61	101	104	101
MacMillan (H. R.) Export	4	'63	99¼	102¼	99
Maple L. M.	3½	'68	97¼	101¼	97¼
Massey-Harris	3	'66	91¼	94¼	92
McColl Fron.	3	'71	93¼	96¼	93¼
McCormicks	4	'52	99¼	...	99¼
Mercury Mills	4	'59	97¼	100¼	97¼
Moirs Ltd.	6	'53	99¼	...	99¼
Montreal Apts.	4	'54	93	96	93¼
N.S. Stl. Coal	3½	'63	91¼	94¼	92
Price Bros.	3½	'66	96¼	99¼	96¼
Silv. Dairies	4	'60-64	97¼	100¼	97¼
Do.	4	'71	97¼	100¼	97¼
Simpsons Ltd.	3½	'60	100	103	99¼
Steel Co. of Can.	3½	'67	92	95	91¼
Toronto Elevat.	3½	'66	98	101	98
United Corp.	4	'58	99¼	102¼	99¼
†Western Grain	5	'63	75	79	72
York Kt. Mills	3½	'71	92¼	95¼	92¼

Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
ΔPayable in Canada only.
ΔPayable in Canada or U. K.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.96	4.34
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.50	4.95
Can. Invest. Corp.	7.00	7.75
Commonwealth Int.	3.45	3.78
Corporate Invest.	8.35	9.00
Trans-Canada, A	13.85	....
Do., B	....	13.70

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

LOWER ST. LAWRENCE POWER CO. 1947 net profit was up 10%. Production and sales of electric power surpassed all previous records. Sales of kilowatt hours totalled 23,728,490—an increase of 7% over 1946. Total revenues reached a new peak at $836,784, an increase of 15.2%. Total operating and administrative expenses continued to mount—$386,492, an increase of 7.8%.

During the year the construction and development started in 1945 was completed—the second main electric plant on the Metis River with an installed capacity of 6,000 hp. In addition a Diesel power plant of 3,000 hp was completed at Rimouski. The year saw completion of 131.4 miles of rural power lines. Towns and villages served now total 73, with a population estimated at over 130,000 in the province of Quebec and in the town of Canmpbellton, N.B. Total customers increased from 12,169 to 14,253 in 1947.

The area served by the company is enjoying unparalleled growth due to expansion taking place on north shore of St. Lawrence as well as along the Gaspe peninsula.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net oper. prof.	$466,839	$373,563
Less: Deprec.	121,910	94,769
Bond int.	135,324	93,532
Amort. fin. exp.	11,752	8,321
Pens. fund	16,547	7,476
Inc. tax res.	77,883	76,014
Net profit & surp.	103,423	93,451
Times Bond Interest and Expense Earned:		
Before deprec.	3.17	3.67
After deprec.	2.34	2.74
Earnings per Share and Dividend Record:		
Preferred	$12.93	$11.68
Common	2.77	2.27
None paid on either stock.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$195,286	$28,300
Accts. rec.	96,146	37,216
Curr. advances	116,231	......
Inventories	88,228	121,667
Total curr. assets	495,891	187,185
Misc. assets	145,268	138,182
Prep. exp., etc.‡	10,987	15,469
Financing exp.	141,266	127,721
Fixed assets	5,588,059	4,878,098
Total assets	6,381,471	5,346,655
Total curr. liab.	237,647	184,697
Reserves, etc.	1,037,379	910,936
Funded debt	3,689,000	2,937,000
Capital stock	830,000	830,000
Surplus	587,445	484,022
‡Incl. in curr. assets in co's. report.		
Working capital	258,244	2,488

RELIANCE INSURANCE CO. of Canada, reports increased premiums in 1947. Net premiums exceeded losses and expenses by $32,953, but as slightly more than this was added to reserve for unearned premiums on an earned basis an underwriting loss of $936 occurred.

Dividends were less than investment earnings, and $20,400 was added to surplus. Policyholders' surplus increased to $963,735. Important items in the accounts follow.

	1948	1947
Net prems. ins.	$332,677	$255,341
Underwr. gain after exp., reserves, etc.	936†	24,510
Net invest. profit	26,674	21,323
Gain on sale of secs.	5,710	2,776
Divds. to sh'holders	12,000	12,000
Net surplus	763,734	744,175
Total assets	1,205,557	1,149,965
Due other cos.	24,668	9,248
Tax prov.	13,870	20,006
Prem. res.	164,631	130,792
Other res.	38,653	45,744
Cap. pd. up	200,000	200,000
P'holders surplus	963,734	944,175
†Loss.		

ENAMEL & HEATING PRODUCTS 1947 net profit was up sharply at $140,541 ($26,622). This year was the most successful in company history, President N. A. Hesler states. In 1946 production was held up to a considerable extent by strikes so that the company started 1947 with a large inventory and a huge backlog of orders, the annual report states. Sales increased 77% over 1946.

Increased earnings were due, to a considerable extent, to sales of a new line of oil burning units, orders for which were carried over from 1946. But in addition to this there was an increase in other lines as well as a gain in export business. The company's subsidiary at Amherst operated at a small profit and through certain changes it is anticipated that further improvement in earnings will result this year.

With orders already on hand the outlook for business in 1948 is most favorable, it is stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$312,897	$86,729
Less: Deprec.	38,474	42,359
Bond interest	5,816	......
Amort. bd. disc. & exp.	......	......
Inc. tax res.	569	......
Net profit	127,497	17,748
Less: Dividends	140,541	26,622
Surplus for year	14,750	......
	125,791	26,622
Earnings per Share and Dividend Record:		
Com.: Earned	$4.76	$0.90
Paid	0.50	....

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$104,297	$31,872
Accts., etc. rec.	371,348	199,196
Inventories	508,517	529,081
Total curr. assets	984,162	760,149
Misc. assetsΔ	52,278	44,280
Inv. in & adv. to subs.	6,021	5,577
Fixed assets	1,131,567	1,089,827
Total assets	2,174,028	1,899,833
Bank loan	......	370,300
Accts., tax., etc. pay.	338,432	202,058
Total curr. liab.	338,432	572,358
Adv. re contract	50,000	......
Funded debt	300,000	......
Depr. & apprais. cr.	870,203	839,815
Capital stock	439,769	439,769
Earned surplusΔ	178,298	52,508
Less: Capital deficit	2,674	4,617
ΔIncl. ref. EPT	17,750	17,750
Working capital	645,730	187,791

BONETAL GOLD MINES reports a loss of $30,277 in 1947 after charging $35,177 of diamond drill exploration at surface and from Hallnor 2,160-ft. level to deferred development account. There was an excess of current assets over current liabilities of $4,999 at the end of 1947.

Continuance of operations is stated to depend on grade and extent of ore bodies being mined and on results of exploratory work at adjoining properties. President B. W. Lang points out that work now progressing at the Hallnor 2,700-ft. level may be of significance to the company and that Porcupine Reef drifts are being extended east toward Bonetal ground and that the property could be explored to 1,000-ft. depth by extending these drifts farther.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Production	$149,670	$172,419
Less: Oper. exp.	182,957	147,099
Net earnings	Δ33,287	25,320
Add: Other inc.	3,010	1,337
Less: Depr.	......	10,364
Def. dev. w/o	......	22,707
Net loss & def.	30,277	6,414
ΔLoss.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$2,594	$36,628
Dom. bds.	3,000	43,000
Accts., etc., rec.	45	795
Total curr. assets	5,639	80,423
Prep. ins.†	612	......
Bonds dep.	1,937	1,938
Org. exp.	2,370	2,370
Def. devel.	281,574	246,396
Mining props.	76,076	76,076
Fixed assets*	91,234	91,534
Disc. on stock	2,670,343	2,670,343
Total assets	3,129,785	3,169,080
Total curr. liabs.	10,638	19,656
Capital stock	3,174,173	3,174,173
Less: Deficit	55,026	24,749
†Included in current assets in co's. report.		
*After depr. of	46,658	46,658
Working capital	Δ4,999	60,767
ΔExcess of curr. liabs. over curr. assets.		

OPERATING STATISTICS

	1947	1946
Tons milled	38,140	26,698
Average recov.	$3.92	$6.46

INTERCOLONIAL COAL CO. 1947 net profit was off sharply from 1946. Output for year was 114,412 tons as against 156,466 tons in 1946. Lower tonnage was due to a strike of employees from Feb. 19 to June 3.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$14,728	$30,624
Add: Accts. pay. w/o.	......	110
Less: Inc. tax res.	5,172	12,294
Net profit	9,556	18,440
Less: Divds. pref.	15,784	15,784
Com. and bonus	......	20,000
Deficit for year	6,228	17,344
Earnings per Share and Dividend Record:		
Pref.: Earned	$4.84	$9.35
Paid	8.00	8.00
Com.: Earned	d0.62	0.27
Paid	nil	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & govt. bds.	$510,899	$644,780
Other bonds	94,050	......
Accts. rec.	107,186	78,788
Inventories	92,746	85,875
Total curr. assets	804,881	809,443
Prepaid charges	5,613	5,268
Fixed assets	847,604	854,774
Total assets	1,658,098	1,669,485
Total curr. liab.	37,959	45,286
Reserves	256,623	244,006
Capital stock	1,197,300	1,197,300
Earned surplus	166,216	182,893
Working capital	766,922	764,157

CENTRAL PATRICIA GOLD MINES experienced a net loss of $47,368 in 1947 (versus 1946 $223,073 profit) after writing off $91,156 depreciation, $37,667 of outside exploration and allowance for $71,510 tax credit for taxes recovered under loss carry back provisions.

Increasingly difficult labor conditions required a mill rate cut back to 200 tons so necessary development work could be carried out. Improvement in labor supply was enjoyed the latter part of the year and 20 DPs who arrived in January, 1948, have been satisfactorily absorbed into the mine operation.

Surface drilling of favorable zones failed to locate commercial values but further work is planned. Two drill holes returned high gold values on a 75-claim property held jointly with Conwest Exploration Co. at Little July Falls, 19 miles east of the mine on Crow River, but subsequent work gave lower values over narrow widths and further work is required to test possibilities.

A higher level of production is expected to be maintained in 1948.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Production	$1,000,745	$1,205,651
Less: Bullion exp.	9,158	13,098
Net production	991,587	1,192,553
Less: Oper. exps.	1,005,407	821,960
Oper. profit	*13,820	370,593
Add: Other income	23,765	26,574
Net earnings	9,945	397,167
Less: Deprec.	91,156	80,973
Tax reserve	¤71,510	88,000
Outside explor.	37,667	5,121
Net profit	*47,368	223,073
Less: Dividends	100,000	275,000
Deficit for year	147,368	51,927
*Loss. ¤Credit.		
Earnings per share	d$0.02	$0.09
Paid	0.04	0.11

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bullion	$135,897	$186,778
Accts. rec.	31,743	18,452
Tax recov.	71,510	......
Mkt. secs. & int.*	511,271	744,694
Mat. & supplies	371,371	406,674
Total curr. assets	1,121,792	1,356,598
Mining co. shs.	42,355	42,355
Bds. with H.E.P.C.§	24,312	24,312
Prep. & def. chgs.§	3,606	12,645
Mtge. receivable	2,267	3,112
St. Joseph Trans. Co.	73,805	38,806
Claims & props.	591,268	591,268
Exp., outside cls.	16,167	31,422
Disc. on shs.	1,234,300	1,234,300
Plant & equip.‡	352,895	358,379
Total assets	3,462,767	3,693,197
Accts. pay.	66,441	57,535
Taxes & div. pay.	15,384	107,351
Total curr. liab.	81,825	164,886
Capital stock	2,500,000	2,500,000
Surplus	880,942	1,028,311
‡After depr. of	1,322,468	1,282,821
*Market value	610,097	979,467
§Items included in curr. assets in co's. report.		
Working capital	1,039,967	1,191,712

OPERATING STATISTICS

	1947	1946
Tons milled	96,971	97,808
Average recov.	$10.32	$12.33
Ore reserves, tons	301,736	340,786
Grade ($35 gold)	$11.55	$11.90

INSPIRATION MINING & DEVELOPMENT experienced a $98,706 loss in 1947 after charging off $40,269 depreciation and $118,939 of exploration expenses. Included in revenue was a $35,402 profit on securities sold.

A sharp contraction of 32.4% was experienced in contract diamond drilling during the year with only 276,839 ft. of mining drilling completed. To offset the drop in mining drilling, several contracts were obtained for foundation testing and an estimated 96,208 ft. of this was completed. Assets of Sudbury Diamond Drilling were taken into Inspiration Mining & Development during the year, it is stated.

Several well-located groups of claims were acquired during the year.

Unstated share interests are reported in Vicour Mines, Croinor Pershing, East Malartic, Hollinger, Lake Shore, Malartic Gold Fields, Macassa, New Calumet, Perron and Sladen Malartic.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Oper. income	$66,314	$168,915
Less: Oper. exps.	72,185	64,211
Net oper. revenue	¤5,871	104,704
Add: Other income	66,374	162,673
Net earnings	60,503	267,377
Less: Explor. exps.	118,940	46,049
Depreciation	40,269	23,078
Income taxes	......	57,000
Net prof. & surplus	¤98,706	141,250
¤Loss or deficit.		
Earnings per Share:		
Com.: Earned	d$0.049	$0.071
Paid	nil	nil

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Accts., etc., rec.	$170,163	$92,455
Invests., quoted*	847,289	907,457
Unquoted	173,999	192,407
Inventories	520,022	339,699
Total curr. assets	1,711,473	1,532,018
Prepaid chgs., etc.Δ	26,963	37,517
Invs. & advs. to cos.	129,940	238,090
Timber interests	13,097	13,639
Mach. equip.†	115,333	101,408
Cls., options, etc.	773,029	819,699
Total assets	2,769,835	2,732,371
Bank overdraft	77,377	136,441
Accts. & tax. pay.	307,085	163,530
Other curr. liab.	23,956	21,166
Total curr. liab.	408,418	321,137
Capital stock	2,000,000	2,000,000
SurplusΔ	361,417	411,234
†After depr. of	245,371	146,518
*Appr. mkt. val.	848,000	1,129,562
ΔInc. refund. EPT	17,196	17,196
Working capital	1,303,055	1,210,881

PROSPECTORS AIRWAYS CO. participated with associates in prospecting and exploration, mostly in Quebec. Insufficient work is stated to have been done to determine value of claims staked. Two groups of claims held directly by the company have been dropped.

Balance sheet as at Dec. 31, 1947, showed $305,671 of shareholdings with a $399,128 market value. Cash in bank and dividends receivable, etc., totaled $10,416 as against accounts payable of $2,311. A total of 760,000 shares are shown outstanding. A minority interest is held in East Amphi Gold Mines but no other detail of shareholdings is provided.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Dividends earned	$5,492	$4,263
Sundry rev.	292	1,307
Less: Oper. exps.	25,658	2,266
Net oper. profit	*19,874	3,304
Add: Prof. sale sec.	3,504	10,683
Net profit	*16,370	13,987
*Loss.		
Earned per Share	d$0.02	$0.02
No dividends paid.		

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Foreign Securities.

DOMINION

Dominion of Canada Treasury Bills—Due July 9, 1948, $75,000,000, issued Apr. 8, 1948. Priced at $99.89784 to yield .410%.

PROVINCIAL

Province of Nova Scotia—3% and 3¼%, due May 1, 1955 and 1962, $12,000,000, dated May 1, 1948, at $100 and interest, to yield 3% and 3.25%. Offered by Wood, Gundy & Co.; McLeod, Young, Weir & Co.; Royal Securities Corp.; Cochran, Murray & Co.; Dominion Securities Corp.; Bell Gouinlock & Co.; McTaggart, Hannaford, Birks & Gordon; W. C. Pitfield & Co.; A. E. Ames & Co.; Mills, Spence & Co.; Harrison & Co.; Nesbitt, Thomson & Co.; Eastern Securities Co.; F. J. Brennan & Co.; Mead & Co.; Midland Securities; L. G. Beaubien & Co.; Burns Bros. & Denton; Cornell, MacGillivray, Anderson & Co.; J. C. MacKintosh & Co.; Stanbury & Co. and Bank of Montreal.

Province of Prince Edward Island—3% debentures, due May 1, 1955 and 1958, $2,000,000, dated May 1, 1948. Sold at $99.75 to yield 3.04% and $96.50 to yield 3.18%, to Harrison & Co. Ltd.; F. J. Brennan & Co., Ltd.; Midland Securities Ltd.; Anderson & Co.; W. C. Pitfield & Co. Ltd.; Gairdner & Co., Ltd. and J. L. Graham & Co., Ltd. These debentures have been completely sold.

MUNICIPAL

Town of Sussex, N.B.—3% debentures, due July 2, 1963-72, $30,000, issued Apr. 2, 1948. Sold to Bank of Nova Scotia at $94.25.

Town of Mount Royal, Que.—3% debentures, due May 1, 1949-68, $280,000, issued Apr. 5, 1948. Sold to Credit Anglo Francais Ltd. at $97.77.

Town of Strathroy, Ont.—3¼% and 3% debentures, due May 1, 1949-58-68, $200,000, issued Apr. 6, 1948. Sold to J. L. Graham & Co. Ltd. and Bank of Commerce at $99.130.

City of Kitchener, Ont.—2¾% and 3¼% debentures, due Mar. 1, 1949-58 and Dec. 1, 1948-57, $603,499, issued Apr. 12, 1948. Sold to A. E. Ames & Co., Ltd. at $98.078.

City of St. Catharines, Ont.—2% debentures, due Mar. 15, 1949-58, $52,197 issued Apr. 12, 1948. Sold to A. E. Ames & Co., Ltd. at $96.666.

City of Drummondville, Que.—3% debentures, due Jan. 1, 1948-67, $15,000, issued Apr. 12, 1948. Sold privately at $99.

Village of Eastman, Que.—3% debentures, due May 1, 1949-58, $2,100, issued Apr. 12, 1948. Sold privately at $100.

Town of Orillia, Ont.—3½% debentures, due May 15, 1949-68, $850,000 issued Apr. 12, 1948. 1959-68 offered at 3.40% by Bell, Gouinlock & Co., Ltd. and Dominion Securities.

Village of St. Guillaume d'Upton, Que.—3% debentures, due Jan. 1, 1949-63, $70,000, issued Apr. 12, 1948. Sold privately at $97.50.

City of Niagara Falls, Ont.—3¼% serial debentures, due May 1, 1949-68, $530,000, dated May 1, 1948. Sold to F. H. Deacon & Co. This issue has been sold and appears for record purposes only.

PREFERRED STOCKS

Angle - Canadian Telephone — $750,000 4½% cumulative preferred shares ($50 par value) at $47.50 per share and accrued dividend. Offered by W. C. Pitfield & Co.; Nesbitt, Thomson & Co.; Pemberton & Son Vancouver; The Western City Co.; Midland Securities; Odlum Brown Investments; Rene T. Leclerc; F. J. Brennan & Co. and McDermid, Miller and McDermid.

Municipal Bonds

April 20, 1948

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria	3¾	'55-66	98	101	3.60
Vancouver	3	'67	93	96	3.27
Calgary	3½	'51-61	99	101	3.12
Edmonton	3½	'49-59	99	101	3.12
Regina	3	'64	92	95	2.67
Moose Jaw	3-3½	'60	97	99	3.39
Winnipeg	2¾	'66	93	96	3.27
Ottawa	3	'54	101	103	3.03
Toronto	2¾	'72	91	94	2.48
Hamilton	3	'53	101½	103½	3.11
Windsor	2½	'75	72½	75½	2.25
Windsor	2¾	'75	76	79	3.95
Windsor	3½	'75	89	92	4.00
Montreal	3	'70	94	97	3.98
Quebec	2¾	'66	90	93	3.18
Halifax	3	'66	95	97	3.26
Saint John	3½	'65	99	102	3.22
					3.35

Grain Prices

Winnipeg Grain Futures

Week to Apr. 19, 1948

Crop year from Aug. 1, 1947 High	Low		High for week	Low for week	Close Apr. 19
		Oats			
.95½	.72	May	.91⅞	.86¾	.90⅝
.95½	.68½	July	.84⅞	.79⅝	.83¾
.83⅛	.66⅝	Oct.	.77⅞	.75⅝	.76⅞
		Barley			
1.35⅝	1.06	May	1.20¼	1.16½	1.19
1.14½	1.01¾	July	1.14½	1.10⅝	1.12¾
1.25⅝	.95½	Oct.	1.05⅛	1.02¾	1.04¼
		Rye			
4.50	3.60	May	4.27½	4.20	4.27½
3.93½	3.01	July	3.70	3.55	3.67½
3.05¼	1.68	Oct.	2.10	2.00	2.08

Cash Quotations

	For Week Apr. 19 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.94⅝	.90⅝	.91¼	.86½
3 C. W.	.92⅝	.85⅝	.89¼	.83½
Barley				
1 Feed	1.17½	1.15	1.15⅝	1.13½
2 Feed	1.13⅞	1.10⅝	1.12¾	1.11⅞
Rye				
2 C. W.	4.39⅝	4.31½	4.44	4.32

Market Comment

What stocks and bonds are doing and what prominent observers say.

By early midweek, New York was giving first indications of a "tired market" — heavy turnover, without any appreciable gain. This could mean a long-expected technical reaction. In face of the still heavy demand for stocks, this condition could dissipate into merely a resting period, some market analysts say.

Apparently a Communist defeat in the Italian elections had been pretty well discounted by Monday and liquidation by short-term, opportunist investors began to balance unabated buying power. Whether the acknowledgedly changed market sentiment which has been building up in the investment public over the last five weeks is entirely justified by Washington's expenditure programs and the Communist defeat in Italy, is the No. 1 question being argued out in board-rooms this week.

Base metals, western oils and specialty industrials again sparked the Canadian market. There is increasing evidence of "switching" from gold to western oils.

* * *

Robertson, Malone & Co. (Toronto): In 1927-8-9 all goods were in plentiful supply; motor cars, clothing, housing, food, etc. In this so-called "New Era" the public wanted money and more money. Investors who had huge profits did not turn these into something tangible, but went after more money by pyramiding profit on profit until, as we all remember, this came to an end suddenly.

Now, 20 years later, we have just the reverse. Goods are in short supply, money is plentiful and cheap. Our 1939 dollar, taking it at $1.00 is now worth 60c. Taxes are making it impossible to recover lost capital, or for the younger executive to build up financial independence, as was done by his seniors 10 or 20 years ago. The worry of the investor today is to preserve his capital and to stretch the 60c dollar as much as possible: not to accumulate a fortune but to keep up his standard of living as close to the 1939 level as possible.

Advice today is hemmed around with so many "ifs, as and whens" that, after talking with those one thinks, or hopes, should know, and reading about unheard-of sums of money having to be spent for stabilization, or bringing back to normal, whatever that is (of countries and peoples) one is left in more of a mental fog than ever.

However, the investor has to make up his mind to one of two things. Either this present financial system is going to break up altogether, with something we know nothing about to replace it; and if this happens, it does not make any difference what we do. Or, improvement of some kind will come. The short-term outlook, as we see it, for the next six months will be jittery, occasioned by European happenings and election year in the United States. Longer term, from three to four years should be good.

If Europe slows down on taking supplies of consumer goods from United States and Canada, any slackness occasioned by this will be taken up by the rebuilding of stock supplies for preparedness and re-arming — supplies now at a low ebb.

First of all, we cannot see any major war for at least five years.

Spending this year in the United States will be at a record high. Factories will be 100% busy.

In 1939, factories had extra space. Now there is no extra space. Consumers' goods will again be in short supply, depending, of course, on the size of the armament program. Company profits should keep up. There cannot be bad times or slumps, if there is 100% employment. Fixed incomes are suffering, and will suffer. The only thing that has not shown any inflation is the price of securities.

Money lying dormant since 1939 has lost 40% of its purchasing power. Good common stocks should work to a 5% yield basis. Therefore, we look for higher prices in this type of security.

Mining securities of the speculative type have risen to such heights that persons of an analytical mind could not find rhyme or reason for prices established. During this period other securities were neglected, and yields on industrial common stocks were as high as 10% and 11%.

As gold mining is really a factory, producing gold, investors should look for the better type mines, and ones with a large inventory; that is, reserves which have a gold content that will make them profitable to work.

On the other hand, most other types of industry can pass on rising costs to the consumer, and if the demand for any one product becomes paramount through lack of supply, the companies producing such material can do a very good job of building up their working capital position and also pay increased dividends.

We believe that base metals and oils are such securities relative to this situation, and would suggest a very careful perusal of securities of this type.

* * *

A. M. Ramsay; A. M. Ramsay & Co. (Toronto): We recommend purchase of stocks of Canadian companies where earning records have been good and indications point to further improvement. There are a good number of these, particularly among the base metals and oil stocks.

We think that the yardstick of earnings — almost completely overlooked as a market factor for over a year now — will become increasingly important from here on. The whole economic outlook has changed over the last several weeks and the picture is now much more conducive to favorable market action. The substantial expenditures for military rearmament in the United States, plus ERP spending, will keep a large section of industry at top production levels; will help maintain consumer purchasing power at higher than prewar levels.

* * *

Barron's: The Trader (New York): Business fundamentals have never justified the fears of depression and deflation comparable to 1919-21 and 1929-32. Yet the stock market, in its evaluation of business earning power and of dividend yields, has for nearly two years proceeded on the theory that hard times were actually at hand. Naturally, it will take more than five weeks to eliminate so deep seated a psychosis and permit normal functioning of the traditional approaches to the true determinants of values.

New Highs & Lows

During the week ended Apr. 17, 33 new highs were recorded among the "general" stock exchanges, and 28 new lows. In the mining group there were 14 new highs and 33 new lows; 11 new highs and one new low among the western oils.

GENERAL

New Highs—1948

Aluminum new; Alum. of Can. pf.; B. A. Oil new; B.C. Pulp & Pap.; Building Prods.; Burrard D. D. A; Can. W. & Cable A; Can. Cel. pf.; Can. Lt. & Pwr.; Chateau Gai Wines; Cockshutt Plow; Cons. Smelt.; De Havilland A; Dom. Fabrics 1st pf.; Fittings; Ford Motor A; Do. B; Hamilton Bridge; Ind. Accept. A; Inter'c. Coal; Int. Paper pf.; Mackin. Steel; Moore Corp.; Nat. Hose B; Page Hersey; Pressed Metals; Rand S. S.; Regent Knit.; Stand. Pav.; Steel Co. of Can.; Toronto Iron A; United Steel; Walker Good.

New Lows—1948

Anglo Newf'd Dvpt.; Auto Fabric A; B.C. Packers A; Brit. Rubber pf.; Can. Conv. A; Can. Fairbanks pf.; Com. Alcohol warr.; Cons. Bakeries; Cons. Press A; Empire Brass; For. Pwr. Sec. pf.; Gair Co. Can. pf.; Gt. West Felt; Gt. West Saddlery; Langleys; Mod. Tool; Mon. Knit. pf.; Nat. Grocers pf.; Wm. Neilson pf.; North Star Oil pf.; Nuclear Enter.; Ontario Loan; Premier Trust; Stand. Chem. pf.; Tooke Tailors; United Distil.; Waterous Ltd.; Woods Mfg.

MINING

New Highs—1948

Area; Denison; Forty-Four; Geo. Copper; Gulf Lead; High Bell; Hudson Bay; Int. Uranium; Nicholson; Normetal; Pend. Oreille; Reeves McD.; United Keno; Waite Am.

New Lows—1948

Amal. Larder; Amer. Y'ke.; Bonville; Bordulac; Bralorne; Buff. R. L.; Bulolo; Campbell R. L.; Croinor; Detta R. L.; East Mal.; Inspiration; Kelwren; Kirk. G. G.; Laguerre; Lake Shore; La Luz; Lamaque; Lunward; Madsen R. L.; Nechi Cons.; North Inca; Osisko; Osulake; Pamour P.; Parbec; Pato Cons.; Que. Y'ke.; Reno Gold; Taku; Taylor; T. Hughes; Upper Can.

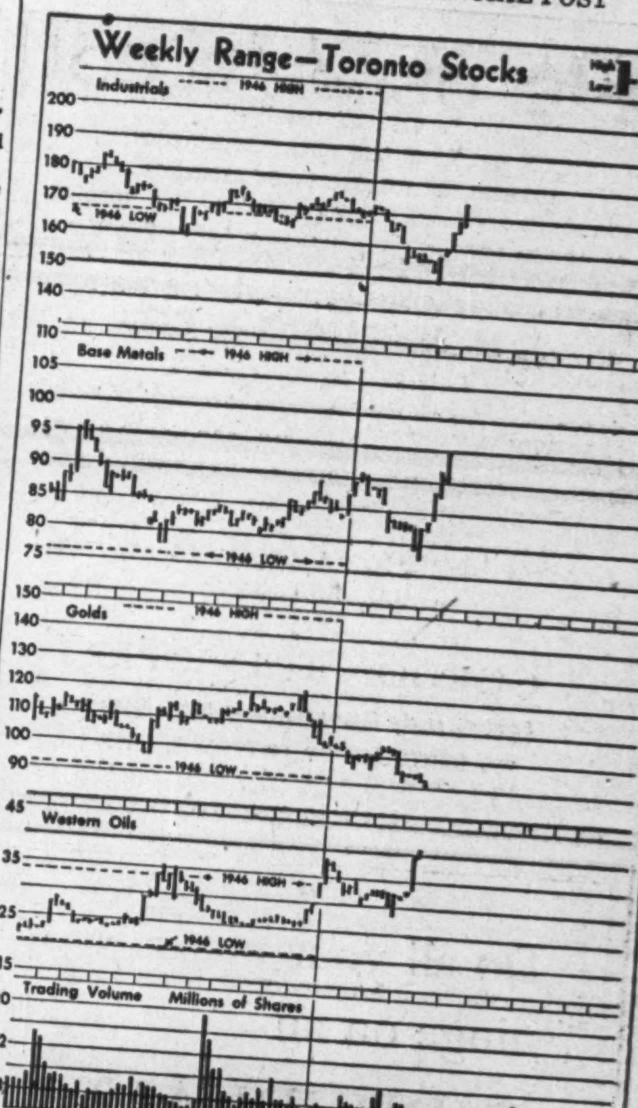
OILS

New Highs—1948

Admiral; British Dom.; Calg. & Ed.; Cons. H'stead; Decalta; Globe; Home; Leduc West; Okalta; Phillips P.; Superior

New Lows—1948

Lowery



— FAR TOO MUCH —

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Torbrit Cuts Silver Ore In Five New Drill Holes

Twelve drill holes have now been completed by Torbrit Silver Mines at the level established off the winze and important commercial values appear to have been secured in all seven drill holes for which assays have so far been obtained.

The workings at the winze level comprise chiefly a main north-south crosscut and short stub crosscuts about 50 ft. east and 60 ft. west off the north crosscut. These have been used for drill stations along with the main crosscut. The north crosscut, where it traversed the ore body, returned 35 oz. silver over 55 ft. on sampling of previous operators, slightly higher values on sampling by present operators.

Drill hole No. 1 was drilled south and downward at 50 deg. from the north end of the main north crosscut. Values averaged 17.1 oz. over 43 ft. of core. No. 2 hole, a vertical one from the same location, was drilled for structural data; assay was 20.2 oz. over 4 ft.

No. 3 drill hole, drilled downward at 45 deg. and directed a little west of south, was located in the west stub crosscut off the main crosscut. It gave 15.8 oz. silver over a core length of 44 ft.

No. 5 hole, a flat one, was drilled from the same location, and was also directed a little west of south. As previously published, it gave 150 ft. of core averaging 21.3 oz. silver with the end of the hole still in ore.

No. 7 hole, from the east stub crosscut, was put down at 45 deg. and cut the ore zone about 75 ft. east of the main crosscut. It gave 15 oz. over 20 ft. of core and a further 10.2 oz. silver over 9 ft. No. 9 drill hole, put out horizontally from the No. 7 hole location, gave 22.9 oz. silver over 30 ft.

No. 12 drill hole was put down from the main crosscut at 40 deg. at a point about 80 ft. north of the winze. It gave a value of 18.1 oz. over 43 ft.

Louvicourt Mill Heads Higher New El Sol Type Bodies Found

A considerable improvement in mill heads has been experienced at Louvicourt Gold Fields in April with heads averaging 87.4 cents a ton over the average of ore treated up to March 31, 1948, The Financial Post is informed. The calculated heads were at least 50c better than any single month previously except one and were 16c better than in that month.

Recent work has indicated possibilities for opening smaller but better grade ore bodies of the El Sol character in a structure which may possibly be the extension of the El Sol ore structure some 3,000 ft. away.

On the 225-ft. level, in the crosscut driven south through the porphyry, ore was encountered in diorite formation, and a small stope was opened up from which much-better-than-average-grade ore has been drawn. A diamond drill hole was bored northeast by east in the diorite near the south contact of the main porphyry. This drill hole showed five intersections, at least three of which, in grade and width, would be classed as ore. Individual assays were: $9.85 across 13 ft., $4.92 across 4 ft., $5.69 across 2 ft., $17.07 across 2.5 ft.; and $12.97 over 7.4 ft. Average of these intersections lies between $9 and $10 a ton on a weighted basis.

A working was driven to follow this drill hole and has cut these various intersections which appeared to be at right angles to other ore structures with a strike almost north-south, dipping slightly to the west. It is assumed that these vein type intersections are the top of the El Sol system or another new similar system.

It is hoped that these new results may be selectively worked to give a higher grade ore to sweeten the general tenor of mill feed.

Present efforts are being directed to proving of more ore from top to bottom of the mine through exploration, with the objective of ultimately increasing tonnage mined to 800 tons a day. Then, with the use of the present picking belt and a further picking belt to be installed at the shaking screen, it is hoped to discard 40% as waste and possibly as high as 50%. The mill has shown its ability to handle up to 500 tons a day with some sacrifice of extraction. Good extraction can be obtained treating 400 tons daily. If, however, a mill classifier is installed (which is already on the ground) and a further separator is added, it is thought that the mill could handle 500 tons without difficulty.

The management feels that a tonnage of 14,000 tons a month is the "critical tonnage" to meet all expenses including capital charges. With the Government assistance expected, extra funds are expected to be available with which to prosecute the company's broad exploration program for extending the total tonnage of ore per vertical foot.

Any rise in grade due to better mining technique would also enhance revenue, it is pointed out. The management has developed present plans on the basis of existing conditions and a $35 price for gold as it is realized that the company may ultimately have to operate under these conditions if there is no increase in the price of gold.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

UPPER CANADA MINES realized a profit of $141,640 or 4.3 cents a share in the eight months ended Dec. 31, 1947 against 4.0 cents a share in the year ended April 30, 1947.

During eight months of 1947, 999 ft. of new ore was opened (all but 22 ft. at No. 2 shaft); average grade was $12.26 across 5.9 ft. A total of 75,094 tons of ore was milled during the period for an average of $11.82 a ton. Reduced costs were secured by cutting development, mining of wider ore, and increasing mill tonnage.

President R. R. Brown states that the mine is in excellent condition and that new ore is being opened on all levels of No. 2 shaft from 125 to 1,250 ft. depth. With sinking of No. 2 shaft from 1,250 to 1,750 ft. depth—now nearing completion—opening of four new levels is to be undertaken.

Outside exploration on the Sothman and Midlothian groups was held to a minimum to conserve funds and to see what might develop on the price of gold.

INCOME ACCOUNT

Years Ended Apr. 30:	a1947	1946
Bullion sales	$829,800	$1,092,279
Less: Expenses	564,894	829,507
Income tax	36,000	11,000
Net oper. profit	228,906	251,772
Add: Invest. inc.	2,542	4,437
Less: Deprec.	55,567	79,335
Shaft skg. w/o	34,241	46,760
Net profit	141,640	130,114
Less: Dividends	163,742	......
Surplus for year	†22,102	130,114
†Deficit.		
a8 mos. ended Dec. 31.		
Earned per Share	$0.043	$0.040
Paid	0.05	....

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	a1947
Cash & bullion	$158,547	$172,281
Dom. bonds	150,823	150,594
Accts. rec.	18,888	28,413
Invests. & advs.	278,861	278,861
Mat. & supplies	108,082	99,187
Total curr. assets	715,201	729,336
Pref. & def. chgs.†	45,737	37,968
Def. development	356,199	336,589
Real estate	26,442	31,974
Min. props.	260,291	260,292
Plant & equip.▲	482,485	491,533
Total assets	1,886,355	1,887,692
Accts. & tax. pay.	109,056	74,682
Total curr. liab.	109,056	74,682
Capital stock	952,399	952,399
Capital surplus	75,227	75,227
Earned surplus	749,673	785,384
†Included in current assets in co's. report.		
▲After depr. of	504,078	447,804
Working capital	606,145	654,654
aAt April 30.		

OPERATING STATISTICS

	8 mos. ended Dec. 31 1947	12 mos. ended Apr. 30 1947
Tons milled	75,094	101,899
Average recov.	$11.05	$10.72

EAST SULLIVAN MINES advises that an additional 500,000 shares have been listed on the Toronto Stock Exchange, bringing total listings to 4.5 million shares.

Kerr-Addison Broken Ore Up

Nearly Million Tons Available By March 31, 1948

Broken ore reserves rose a further 67,328 tons at Kerr-Addison Gold Mines in the first quarter of 1948 despite the shortage of power which prevailed from Feb. 1 to Mar. 25. Reserves reached a new high of 942,154 tons at Mar. 31, 1948, shareholders learned at the annual meeting this week.

Profits for the first quarter totaled $368,924, equal to 7.8 cents a share. While hydro power shortage continued to Mar. 25, the company was able to link up a new Diesel generating set and returned to full tonnage on Feb. 18. Consequently daily tonnage averaged 2,097 tons in the first quarter.

Available manpower showed an increase from 649 employees at the end of 1947 to 695 three months later. A total of 49 of 90 DPs have arrived and have "worked in very well."

At the 1,750-ft. level, over 12,000 tons of ore was reported per vertical foot with about 16,000 tons expected when allowance is made for dilution.

At the 1,900-ft. level, ore is now estimated at 12,497 tons per vertical foot, averaging 0.2971 oz.

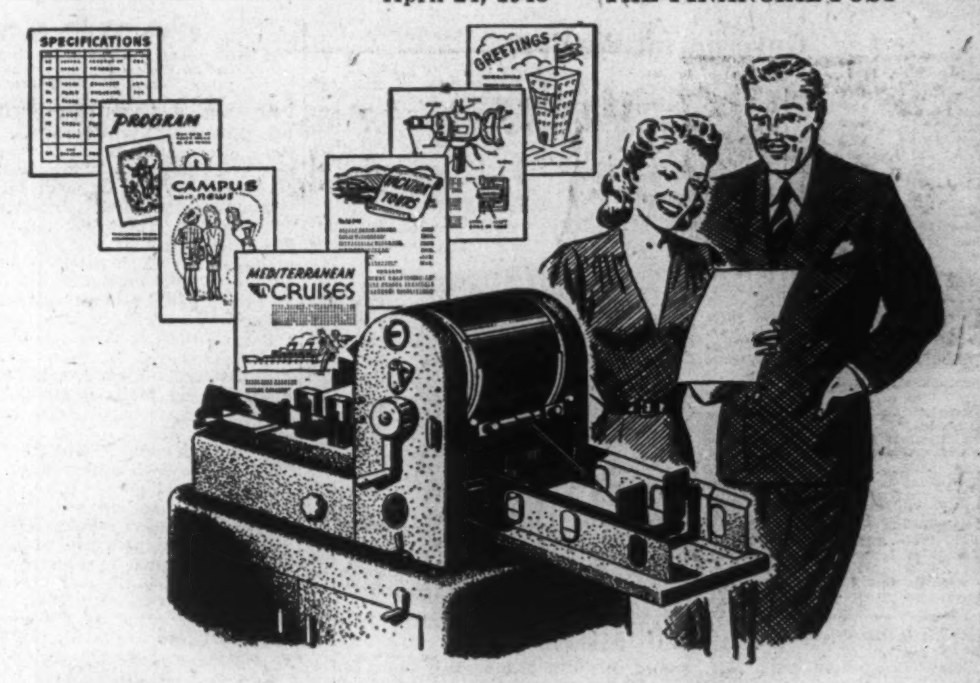
No work has as yet been completed between the 1,900 and 2,500-ft. levels. At the latter horizon, there has been no change in the ore estimated since the end of 1944, when ore was estimated at 11,166 tons, averaging 0.244 oz. gold.

Empire Brass Mfg. Buys Metals Ltd.

Empire Brass Mfg. Co. London, Ont., has acquired control of Metals Ltd., C. H. Ivey, Empire's president, announces.

The business of Metals Ltd., founded in 1904, consists of the wholesale distribution of plumbing and heating, supplies, paints, varnishes and hardware specialties, including mill, mine and railway supplies and equipment. Sales are made throughout Alberta and British Columbia, the head office being located in Calgary with branches in Edmonton and Vancouver. The business will continue under its present management, Mr. Ivey stated.

Control of Metals Ltd. will give Empire Brass valuable new outlets in Alberta and British Columbia for its oil and gas specialty products and for many other products which it manufactures and distributes, Mr. Ivey stated. This acquisition gives the company a chain of distribution centres from Ontario to the west coast.



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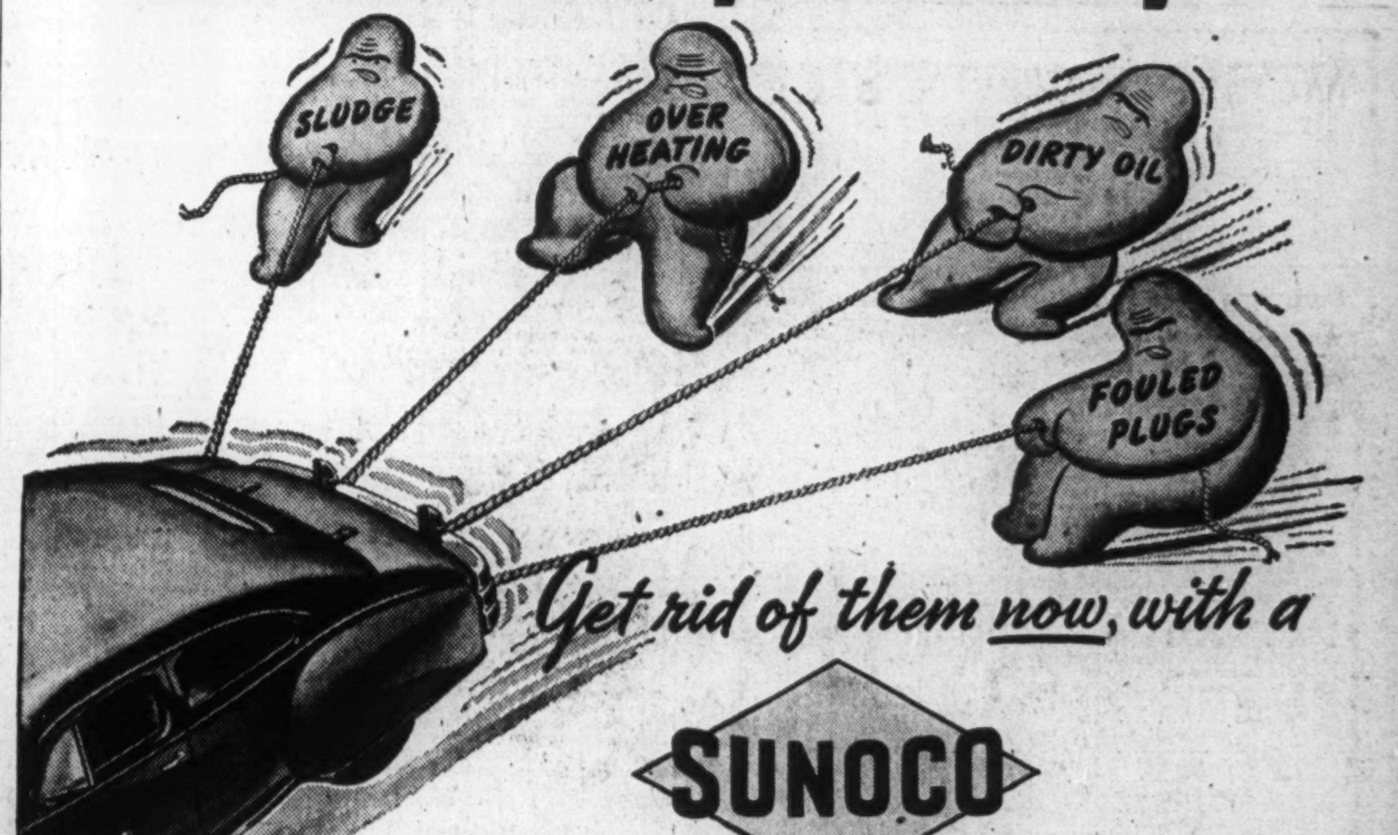

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MINING INVESTMENTS

Marginal Golds Must Close Despite Subsidy—Murdoch

The gold mining industry will not be adequately assisted by the Emergency Gold Mining Assistance Act, J. Y. Murdoch, president of Pamour Porcupine Mines states. He declares that unless something further is done Pamour and perhaps 50 other gold mines will have to close and that "unemployment and distress in many gold mining areas of this country will appal the Canadian people."

If this happens, Mr. Murdoch told Pamour shareholders, it will be a long while before the gold mining industry will return to health:

"Relief in respect of taxes which are based on income is, of course, futile. All marginal ore will be lost, and all marginal mines will close unless they can sell their gold above the controlled price of $35 Canadian funds. Serious as the closing down of marginal producers may become, the resulting discouragement of prospecting and the finding and development of new mines is equally important. It will be years before Canadian gold mining will have any chance of recovery."

* * *

Tells of $41.50 Sales

Taking issue with the Minister of Finance that the world market for gold at higher than $35 an ounce is quite limited, Mr. Murdoch pointed out that two subsidiaries of Noranda Mines in Nicaragua received an average price of $41.50 an ounce for all gold produced in 1947.

"I am certain Canadian gold producers could market their production at substantially higher prices than our Government now pays," he declared. "It is all very well for our Minister of Finance to speak of obligations to the International Monetary Fund, but France and Italy recognized their monetary position and at least attempted to bring their international coinage to a realistic basis. . . . Who is going to plead the cause of gold? It will not be the nonproducing nations. During and subsequent to the war, Canada assumed her place among the nations, and is in a position to plead the cause of gold along with South Africa and other interested countries. I believe that if gold bullion and coinage were made available to the citizens of the world today, there would be a terrific and sustained demand for this universal medium of exchange . . ."

* * *

Gets "V. G." But Closes

How difficult financing of new gold projects has become — even with the new gold subsidy — was forcefully illustrated this week with the announcement that Detta Red Lake Mines was closing "in view of depressed gold mining markets."

Although a west heading at the second level of Detta had been in visible gold for 50 ft. with visible gold still showing in the face, repeated efforts to raise finances required for a continuation of work failed. Results in another section had been inconclusive, with not enough work done, really to test drill indications.

The company still has 800,000 shares unissued of an authorized capital of 3.5 million shares.

* * *

Bralorne Output Gains

One gold mine which has shown a marked improvement in production levels is Bralorne Mines. During the three months ended March 31, 1948, 37,011 tons of ore were milled. The total of 19,909 oz. of gold recovered was the highest for any three months since the first quarter of 1943, despite a ball mill failure which curtailed tonnage milled.

Improvement in the manpower situation is stated to have been well maintained during January and February, but a slight decline was recorded in March.

An excellent ore body is stated to have been opened up, drifting west on "77" vein at the 19th level.

Several veins encountered in crosscutting at the Yalakom prospect are to be explored by drifting and diamond drilling. The crosscut was stopped at 2,204 ft.

Ore to South At Dickenson

Slash Shows $17.85 Over 26 ft. in Offset Ore Occurrence

An offset ore body of some proportions has been opened to the south of the main mine but north of the Campbell extension zone, Dickenson Red Lake Mines reports.

Two ore occurrences are reported in this area—an east-west belt crossing the drift; and a silicified zone running northwest, and approximately paralleling the drift in this section.

The east-west ore is stated to have been opened for over 170 ft. in length, with width varying from 16 to 25 ft. One section of slashing, already completed and amounting to 26 ft., averaged $17.85 a ton with work still in ore. Other drifts on the first and third level are believed part of the same ore body. On the basis of structure, position and physical characteristics, the management concludes that ore opened on the fourth level is the downward continuation of this second level ore body.

The drive running southeast on the fourth level, to enter the Campbell vein extension, is said to be making normal progress and to be within 850 ft. of its objective.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SILBAK PREMIER MINES state that 60% of 1947 operating losses were attributable to the fact that the shutdown for last five months of 1946 carried over to the first two months of the next year. Net loss was $186,530 in 1947 against $140,045 loss in 1946.

Delivery of equipment to permit recovery of zinc is expected early in 1948; and an important saving is expected by using truck transportation, rather than the previous aerial tram.

Ore reserves show a reduction to approximately a year's supply at the 1947 production rate. Newer ore bodies opened in the hanging-wall section are stated to be smaller and to occur less frequently than ore bodies, now worked out, in older parts of the mine.

Experienced miners are reported becoming more available. No benefit is expected from the subsidy for gold mines, as less than 70% of revenue is derived from gold.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Ore sales	$759,909	$340,010
Oper. expenses	922,830	431,218
Oper loss	162,921	91,208
Misc. loss (net)	......	37,964
Deficit earnings	162,921	129,172
Add: Admin. exps.	22,194	7,036
Depletion	} 5,898	3,420
Depreciation		....
Mine devel. w/o	......	417
Less: Tax cred.	4,483	......
Net loss & def.	186,530	140,045
Earnings per Share	d$0.075	d$0.056
Paid	......	0.01

Note: Dividends totalling $25,000 in 1946 charged to depletion reserve.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$223,297	$581,550
Accts. rec.	18,544	28,531
Ore sales liquid.	274,876	119,470
Mat. & supplies	187,597	151,264
Total curr. assets	704,314	880,813
Prep. & def. chgs.ᵟ	10,137	26,520
Prop.* bldgs., equip.	16,806	2,496,495
Deficit	......	169,992
Total assets	731,257	3,573,822
Accts., etc., pay.	64,879	63,469
Taxes payable	......	2,918
Total curr. liab.	64,879	66,387
Deplet. reserves▲	......	661,293
Deprec. reserve	......	159,868
Dev. amort. res.	......	186,274
Capital stock	2,500,000	2,500,000
Less: Deficit	‡1,833,622	......
†After depr., depl.	2,490,433	......

▲After deducting $1,477,100 dividends charged to this item in 1946.
‡After deducting $1,477,100 divds. charged to depl. res. prior to 1947.
*Including development.
ᵟIncluded in current assets in co's. report.

	1947	1946
Working capital	639,435	814,428

OPERATING STATISTICS

	1947	1946
Tons milled	59,343	34,804
Average recov.	$12.81	$9.76
Ore reserves, tons	58,810	73,341
Grade:		
Gold, oz.	0.24	0.25
Silver, oz.	2.47	2.51
Lead, %	1.85	1.80

SULLIVAN CONSOLIDATED shows earnings "squeezed" between lower production and higher operating expenses in 1947. Profits equaled $46,596 or 1.2 cents a share (4.3 cents in 1946).

Ore reserves dropped by about a third tonnage milled during the year but remained approximately 5.5 years' mill supply at 1947 production rate. An intensive development program is planned in 1948, now that miners are more readily available. A total of 1,425.5 ft. of ore, averaging $8.78 a ton across an average width of 3.9 ft., was opened up last year.

Drifting is now under way on the 1,050-ft. level to reach the favorable footwall area of No. 4 shear, where good ore was opened on levels above during the year. No. 2 inclined shaft was deepened to 2,000 ft.

Investment in East Sullivan Mines shows a small increase to 1,549,793 shares carried at $511,136. An 85% interest is held in Lithium Exploration Co.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Bullion prod.	$876,630	$987,289
Less: Oper. exps.	795,000	724,847
Net oper. earn.	81,630	262,442
Add: Other inc.	4,944	11,463
Total net earns.	86,574	273,905
Less: Deprec.	39,020	46,176
Que. profit tax	958	7,744
Dom. inc. tax	......	48,362
Net prof. & surp.	46,596	171,673
Earnings per Share	$0.012	$0.043

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash* & bullion	$47,355	$89,894
Govt. bds. (cost)	101,180	186,993
Accts. rec.	34,345	20,557
Supplies	161,324	175,244
Total curr. assets	344,204	472,688
Prep. & def. chgs.ᵟ	9,193	16,951
Investments■	570,646	476,870
Equip. payts.	9,000	......
Mining ground	4,067,261	4,080,105
Plant & equip.▲	297,526	210,092
Total assets	5,297,832	5,256,706
Bank overdraft	8,375	......
Accts., etc., payable	78,231	59,894
Taxes payable	958	39,054
Total curr. liab.	87,564	98,918
Props. purchased	......	8,000
Capital stock	4,000,000	4,000,000
Capital surplus	361,384	361,384
Earned surplus†	848,904	788,374
▲After depr. of	793,695	756,597
ᵟInc. ref. EPT	......	5,913
†Incl. ref. EPT	5,913	5,913

■Included 1,524,993 shs. East Sullivan Mines in 1946 and 1,549,793 shs. in 1947.

	1947	1946
Working capital	256,640	373,740

OPERATING STATISTICS

	1947	1946
Tons milled	110,287	120,939
Average recov.	$7.95	$8.16
Ore reserves, tons	616,180	649,545
Grade ($35 gold)	$8.79	$8.72

R. L. (ROY) CLOTHIER has acquired an unreserved option on Cronin lead, zinc, cadmium and silver mine in Babine area, north of Telkwa, B.C., where production is hoped to be reached this year.

Eureka Hopeful Of Getting Funds

"Definite progress is being made to arrange for the finances necessary to deal with the water problem, complete the crosscut and put the mill into production," declares President E. V. Neelands of Eureka Corp. Ltd.

Mr. Neelands states that the company hopes to be able to inform shareholders within two weeks, of details of additional financing.

Directors have authorized purchase of all necessary equipment to deal with the water encountered on the sixth level.

FRANCOEUR GOLD MINES discontinued mining operations March 31, 1947, and sale of mill and certain equipment and supplies enabled a reduction to be made in bank loan as well as payment of outstanding liabilities. During period Jan. 1 to March 31, 12,888 tons of ore were treated for production of $59,672. President C. D. H. MacAlpine states that there is every reason to believe that a profitable operation can be established at the property when conditions return to normal. The property has in excess of 100,000 tons of ore grading 0.20 oz. gold with a further substantial block of ore indicated by diamond drilling in No. 3 area and other chances of exploration.

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TORONTO MONTREAL

LONDON CALLING—*By Adelphi*

Back Benchers Win Over Government U.K. Gets 5-Year 'Hangman's Holiday'

LONDON—The visit of Mrs. Roosevelt to London was, quite rightly, not regarded as a funereal occasion. It was true that the unveiling of her husband's monument in Grosvenor Square was a tribute to the dead; but the Pilgrim Society, which organized the whole affair, from the ceremony in the morning to the huge dinner at the Savoy at night, took the view that the trappings of grief would be out of place.

Personally, I found the open-air function much more impressive than the dinner. So many people wanted to honor Mrs. Roosevelt that the entire dining space of the Savoy was turned over to this function. Probably for the first time in its history, the hotel served no meals to the general public.

There was no question of the guests' being received by Mrs. Roosevelt or even by our old Canadian friend Viscount Greenwood. If that had been attempted, it would have taken hours before the banquet started. In addition, the various speeches were to be broadcast so the whole thing had to work to a inexorable time table. As it was, we found our places just in time to applaud the arrival at the top table of Mrs. Roosevelt; Princess Elizabeth, and her young handsome consort; the Archbishop of Canterbury; Prime Minister Attlee and, of course, Winston Churchill who always gets an ovation no matter who is present.

Everyone felt that the occasion was a great one. The audience was ready to be swept to tears, cheers or laughter. But it had little chance to weep or cheer or laugh. Mrs. Roosevelt, who has a very nice speaking voice, read her speech with a lorgnette held to her eyes. Mr. Attlee read from his notes and even Mr. Churchill adhered closely to manuscript. That is the worst of speeches which are broadcast. Speakers have to consider their vast unseen listeners and thus reduce intimate contact with the immediate audience before them. After the superb pageantry of the morning, it was definitely an anticlimax.

* * *

Five-Year Holiday From Death Penalty

The next big event of the week was when a group of Socialist M.P.'s, supported by about 30 Tory and Liberal M. P.'s, forced the Government to accept a trial ban of five years on capital punishment. The fact that practically all the Tory leaders voted with the Government against the ban, emphasizes the extent of the back benchers' triumph.

The speeches reached a high level of eloquence and sincerity, and the excitement became electric as the vote was taken. When the result was announced, there was absolutely pandemonium in the House.

But in the cold aftermath of the next day, there is a widespread feeling that the reformers have acted too quickly. The newspapers are saying that the hangover of crime from the war is still in existence and that the dice are already heavily weighted against the unarmed police, in favor of the armed bandits. It is even feared that abolition of the death penalty will hinder recruiting for the police force.

The argument of the reformers, which still has to be proved, is that the abolition of hanging will remove the spurious glamour of murder, and reveal it for what it is—the most sordid and despicable crime in the calendar. It was even argued in the debate that the man who takes life without risking his own at the hands of the law, will now be looked down upon even by his fellow criminals.

The immediate result will be the automatic reprieve of those under sentence of death; including the young ship's steward who killed a girl on board ship and shoved her body through the porthole. My own mind is with the reformers; but I realize that there is a strong case against them.

* * *

Refreshing to Relax At Bard's Birthplace

It is always good to get out of London for a day, so this week I went to Stratford-on-Avon for the opening of the Festival at the Memorial Theatre. The play chosen was "The Life and Death of King John," an event which drew a great gathering of the critics and casual celebrities, as well as people who came from the four corners of that part of the world. But "King John" is not, and never was, a good play. Obviously, Shakespeare could not make up his own mind about it, for unlike all his other plays, this one has no central figure. However, the producer enjoyed himself and the audience clapped very loud and long after each act.

It was good to sleep in a bedroom of an inn which snuggled by the banks of the River Avon; and it was good next morning to wander through the old town and to end up with a visit to Shakespeare's birthplace. The sun was warm and bright, and it was hard to believe that the world was not at peace.

* * *

Speaking of things Shakespearean, Donald Wolfit is going to marry his leading lady Miss Rosalind Iden. As Othello, he has murdered her many times; as King Lear he has carried her body on to the stage; as Macbeth he caused her and her children to be liquidated in the best tradition of brutal dictatorship; as Shylock, he was cheated out of his pound of flesh by her interpretation of Venetian law. Now he is to lead her to the altar.

But she will not possess all his heart. From what he says, I should think he has left part of it in Canada. His western tour in the winter seems to have filled him with as much delight as it did the Canadians who went to see him.

* * *

Alexander Isn't King's Envoy in U. K.

The High Commissioner gave a reception at Canada House for Viscount and Lady Alexander, who are making a brief visit here. The Canadian colony turned up in force, and I gather that there was some doubt as to whether Their Excellencies should receive a curtsey or a bow according to the sex of the guests. But it seems that the Governor-General is only the King's representative when he is in Canada; and that the King is his own representative here.

Sir Basil Brooke, the Prime Minister of Ulster, came along with his close Canadian friend Sir Ernest Cooper. Sir Basil who might be described as perpetual Prime Minister of Northern Ireland, is an attractive but stubborn man. He apparently refuses to agree to doing away with the partition between the North and South. "No matter how many Englishmen urge it," he says, "we will not walk out of the British Empire into a foreign country."

Perhaps he is right. Perhaps the problem of the North and South in Ireland is one of those which has no solution.

* * *

Anthony Eden, after an absence of some weeks following his operation for appendicitis, will return to the political scene in a few days. He will get a great reception. If he does not excite the mind and the emotions as Churchill does, he is greatly loved for his simplicity of purpose and for his clean heart.

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COMPANY REPORTS

EAST MALARTIC MINES experienced a loss of $28,473 in 1947 as against a $164,670 profit in 1946. The loss and a drop in working capital of $880,000 to $301,964, are attributed to the disastrous fire which occurred April 24, 1947, and which required retimbering the lower half of No. 4 shaft.

Drastic postponement of the exploration program was also necessitated. Because of time lost due to fire, it is not planned to continue sinking of the new No. 4 incline shaft at this time but opening of two new levels will be proceeded with against the three originally planned.

The low average grade of ore treated ($5.09 a ton vs. $6.99 ore reserve average) is attributed to the fact that work has had to be concentrated in the large lower grade ore bodies and development must be caught up before an average grade of ore can be handled.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Production	$1,172,649	$1,612,916
Add: Other income	9,677	77,392
Total income	1,182,326	1,690,308
Less: Oper. exps.	1,084,813	1,276,716
Oper. profit	97,513	413,592
Less: Def. devel.	16,644	24,968
Depreciation	109,342	209,506
Res. for taxes	......	14,450
Net prof & surp	*28,473	164,670
*Deficit or loss.		
Earnings per Share	d$0.007	$0.04
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bullion	$120,417	$913,530
Accts., etc., rec.	3,235	5,638
Stores	328,497	431,000
Total curr. assets	452,149	1,350,168
Prep. & def. chgs.	34,943	45,164
Def. develop.	1,046,772	595,913
Real estate	128,773	94,006
Shaft plant constr.	1,007,567	597,552
Mining claims	179,817	179,617
Plant & equip.▲	719,788	738,978
Total assets	3,569,609	3,601,398
Bank loan	50,000	......
Accts., etc., pay.	100,185	153,501
Taxes payable	......	14,740
Total curr. liab.	150,185	168,241
Capital stock	1,800,008	1,800,008
Earned surplus	1,619,416	1,633,149
▲After depr. of	1,517,533	1,408,191
Working capital	301,964	1,181,927

OPERATING STATISTICS

	1947	1946
Tons milled	240,438	307,461
Average recov.	$4.88	$5.25
Ore reserves, tons	2,150,000	2,386,000
Grade	$6.99	$7.00

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★ In three-speed transmission models, ½ and ¾-ton, the gear shift lever is now on the steering column and parking brake is foot-operated, located to the left of the clutch pedal—giving an entirely new access to the cab.

With typical GMC Truck toughness built in, the new GMC offers top-pay-load capacity, safety and profit-making dependability . . . truly the truck of value.

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Western Prosperity Solidly Entrenched

Prairies Seek Broader Economy To Maintain Current Prosperity

By RONALD WILLIAMS

Agriculture is still King of the West but the Prairies are paying more and more homage these days to a still frail but potentially strong pretender to the economic throne — industrialization.

The threat to the supremacy of agriculture, while a long way from being a serious challenge, is growing steadily. The Prairies are still the storehouse of the world but there has been a steady transfer of allegiance since the war.

Prewar, the all-important things in the lives of most people on the Prairies had something to do with agriculture: drought, weeds, pests, dust, relief and debt.

Today, the emphasis is changing; today more and more people are talking about mechanization, diversification, marketing, industrialization.

From bitter experience, the West knows what can happen to a one-industry area in tough times. The memory of the terrible thirties is still fresh and frightening.

During the war, they got their first real taste of industrialization. They think that industrial development is what they need to balance their economic diet.

Manitoba and Alberta made substantial industrial gains during the war, held them through the critical postwar period and are now rising to new levels of importance. Saskatchewan, left out in the cold by wartime industry, is beginning to move up.

Industry's Plans for the West

Ottawa's capital investment survey of Canadian business is one of the best indicators of what's happening out West. In 1947, industry sank $58 millions into new plants, new machinery. This year; $62 millions (for manufacturing, mining, woods operations and certain utilities only).

The West went into the war with 1,200 industries and 60,000 employees, came out with 1,400 industries and 95,000 employees. And only a handful of the gains were war plants. Today the industrial total is being increased steadily.

Last year, Alberta added 55 new plants, the year before, 105. The spectacular development of the Leduc Oil field has been described as the greatest single economic event in Canada in 1947. To Alberta it has meant new life. Value of manufactured products jumped $10 millions to $263 millions, or three times the 1939 value.

Manitoba got another 76 industries in 1946, another 56 in 1947. Value of construction contracts awarded (monthly average) $2.8 millions, a substantial increase of $7 millions over the monthly volume the year before. Winnipeg with a gain of 11.1% at Nov. 7, 1947 still had the distinction of being the city with the greatest relative increase in employment since the wartime peak.

Saskatchewan's manufacturing industry began to move upward again in 1947 after a postwar drop. Preliminary estimate of the value of production for last year is $189 millions. Freight loaded advanced about 10%, reflecting increase activity. Construction was lower although electric power generated showed a 6% increase.

They Show Gains

In construction, the Prairies are pushing ahead in 1948 with assurance matched in few regions of the country.

Against a 6% dip in the national total value of construction contracts awarded in the opening quarter, as compared with a year ago, Alberta, Saskatchewan and Manitoba chalked up a whacking 12% gain. This was accomplished despite a 54% drop in Socialist-governed Saskatchewan and largely on strength of new work launched in Alberta in the housing and factory categories.

And, against an 8% gain in the national construction award total in 1947 over 1946, the Prairies registered a 25% rise.

Thus, in the cities and towns of Canada's vast Western plain, and on its rich grain acres and cattle ranges, construction and expansion — factories, houses, stores, schools and the rest — are visible tokens of rising strength in the Prairie economy.

Money is Moving

The West is definitely out of the red. Retail sales last year were higher than they've ever been; and they're still climbing. At Jan. 31, this year, they were 17% higher than at Jan. 31 a year ago.

Cheques cashed — always a reliable business indicator — soared to $12,853 millions last year, $1,700 millions over 1946 and almost three times as high as 1937.

Wages were higher: Average weekly pay in Manitoba in '46, $30.41; in '47, $32.58; at Dec. 31, last, $35.77;

In Sask. in '46, $30.73; in '47, $32.92; at Dec. 31, last, $37.41;

In Alberta in '46, $30.33; in '47, $31.97; at Dec. 31 last, $35.87.

Despite grim predictions, employment has kept on going up. The indices for the three provinces at Feb. 1 for 1947 and 1948 stood at:

	1947	1948
Manitoba	148.3	152.8
Saskatchewan	142.9	149.1
Alberta	171.7	167.1

The drop in Alberta was due to a lengthy coal strike at the beginning of this year, not to any falling over in economic activity.

Such statistics are the thermometers of economic health. The only conclusion: the Prairies economic health was never better.

Where Farmers Stand

This is confirmed by a quick glance at the backbone of the Prairies economy — farming. Since 1937 Western farmers have worked their way out from under the heavy yoke of mortgages; they have been reduced by 65%. Other indebtedness for farm equipment has been reduced in similar proportions.

In the last few years, the great bulk of the machinery, cars, trucks, etc., has been bought for cash. The same things applies to additional land acquired in the last five years or so. Today a large number of Western Canada farms are entirely free of debt.

A lot of farmers who used to go to the bank only to borrow, now have bank balances. In fact, Canada's farmers have never been better off, particularly Western farmers.

Last year's total cash income from farm products was the greatest in our history: $1.9 billions. Of this staggering sum, Prairie farmers collected $964 millions.

But that isn't the whole story. Farmers still have to collect final payment on wheat crops sold in 1945-46-47. This means 20c or perhaps 30c on 770 million bushels sold to the Government Wheat Board.

Even at the lower figure, this will put another $150 millions into the farmers' pockets. Broken down on a per capital basis, it means something like a $1,000 windfall apiece.

But despite their current prosperity, the Prairies are keeping their fingers crossed. They don't think things can ever be as bad as they were before the war. But world markets, international exchange difficulties and the weather can let a lot of the buoyancy out of today's good times.

This is why they are trying to anchor their economy to something that can't be capsized by a bad season. That something is light and heavy manufacturing and development of a more diversified, more balanced economy.

Here's Report on Prairies

THE PRAIRIES' FARMS CASH INCOME

Cash income from the sale of farm products by provinces and products ($000):

	Man.	Sask.	Alta.
Grains, seeds & hay	106,122	320,317	196,079
Vegetables, etc	2,701	908	7,097
Livestock	44,786	73,802	101,092
Dairy products	18,875	22,782	24,403
Fruits	....	....	....
Other principal farm prods.	8,816	10,252	10,219
Miscellaneous farm prods.	1,813	4,281	3,389
Forest prods. sold off farms	461	432	216
Fur farming	2,319	1,330	2,985
Cash income from farm prds.	185,893	434,104	345,480
Supplementary payments	6	9,838	1,732
Total cash income — 1947	185,899	443,942	347,212
No. farms	54,435	125,650	89,561
Average per farm	$3,415	$3,533	$3,877
All Canada average per farm	$2,820.		

	1947	1946
	(In millions except where indicated)	
Gross farm income	$964	$855
Manitoba	$186	$171
Sask.	$433	$399
Alta.	$345	$285
Cheques cashed	$12,853	$11,134
Car loadings (millions)	1.3	1.2
Houses being built		
Man.	2,315	3,060
Sask.	1,469	2,018
Alta.	2,310	3,145
Natural gas sales (mill.)	31 cft	33.2cft
Value (millions)	$13.3	$12
Retail sales index	200.1	171.5
	(Jan.'48)	(Jan.'47)

	1947	1946
	(In millions except where indicated)	
Construction contracts awarded	$108.8	$84.1
(1st quarter 1948 up 12.3% over '47)		
Mineral production		
Man.	$17.5	$16.4
Sask.	$32.3	$25.8
Alta.	$67.5	$60
Population		('41 census)
Man.	743,000	729,744
Sask.	842,000	895,992
Alta.	822,000	796,169
Prairie grain crop (in mill. bush.)		
Wheat	319	393
Oats	194	247
Barley	131	134
Rye	11.6	7.2

Water Is the West's Life Blood

Irrigation Has Freed Nearly Two Million Acres From Spectre of Drought

To most people in Canada PFRA spells Prairie Farm Rehabilitation Act, but to the western farmer it spells freedom from the spectre of recurring water shortage that haunted him for years.

For more than 12 years, PFRA has shown through its development of small and large water projects — which include irrigation — that water shortage can be conquered. Its program has resulted in appreciable benefits to agriculture.

During that time, PFRA has moved several hundred families from arid areas, in one case to irrigated land in another province.

More than 35,000 small water development projects, largely stockwater dams, farm dugouts and community schemes, have been built by PFRA on the prairies, with the Dominion providing assistance of $4,072,177.

And about 120 large development projects have now been constructed, at a cost of approximately $5 millions to the Federal Government.

Practically all of these — both small and large — are located within the Palliser Triangle, a huge area of flat land extending from Coutts to Hanna in Alberta, to Saskatoon and the international boundary in southwestern Manitoba. This is the area of limited rainfall — from eight to 16 inches — formerly great buffalo grazing grounds.

A Stabilizing Influence

To date, PFRA has finished the groundwork for schemes that, when completed, will irrigate nearly 1.8 million acres in the three prairie provinces, much of it previously nonproductive. Eventually these lands will be suitable for diversified farming so that farmers will have more than one crop to fall back on if wheat growing should fail.

Completion of these schemes, in conjunction with small water development, will revolutionize agriculture on the prairies and spread its stabilizing influence across the whole Canadian economy.

At present about 600,000 acres are now irrigated on the prairies, most of it established before PFRA came into existence. Alberta has nearly 550,000 acres, Saskatchewan 50,000 acres and Manitoba a very small number.

Due to the fluctuation in farming practices, about 10% of the irrigated acreage is not used from year to year.

While some irrigation has been a great success, it has had its failures too. Thousands of acres formerly irrigated in Alberta and Saskatchewan are now free of the "ditch," the projects marked off as a waste of time and money.

Some of the larger projects have been drastically curtailed, the irrigated acreage in a number of cases cut in half.

The Dominion Government, when it inaugurated PFRA, realized there would have to be some experimenting at a huge cost to the federal treasury. The amounts written off as a dead loss, however, have been more than amply exceeded in benefits returned to prairie farmers through successful projects.

Long-range Program

Yet PFRA has no intention of resting on its laurels. Already plans are under way for extensive development of other projects, both large and small. Recently, in reply to pleas from western farmers and businessmen to convert arid areas into "green acres," Agriculture Minister Gardiner gave assurance that $100 millions in federal funds will be made available for a long-range program of irrigation and water conservation. This is to take care of projects now being built or considered.

Under construction at present are nine large or community water development projects, with 48 others under consideration. In addition, applications for PFRA assistance in the construction of several hundred dugouts, stockwatering dams and small community projects are now being considered.

During 1946-7, PFRA confined most of its principle activities in large water development to five major projects. In the same period between 30 and 40 municipal or community projects were completed. Most of these were dams. In some cases new lakes were created, in others water levels raised.

The St. Mary-Milk River scheme, 35 miles southwest of Lethbridge, will supply water to approximately 465,000 acres. The first stage, at present under construction, will improve the water situation on about 120,000 acres of irrigated land and will supply water for 95,000 acres not irrigated previously.

The estimated cost is $15,178,439, of which the Dominion will provide $7,192,449 and the province, $7,985,986. It is expected the project will take 14 years to complete.

The proposed dam, work on which started in 1947, should be finished by 1949. It will be a rolled earth fill 200 feet high. The reservoir created by the dam will impound 320,000 acre feet of water of which 290,000 will be available for irrigation.

The Red Deer River diversion, to cost from $6,000,000 to $15,000,000 will irrigate 500,000 acres. It will give a constant flow through 610 miles of dry creek, traversing 2,000,000 acres of range land in central Alberta and western Saskatchewan. This is a modification of what was originally known as the William Pearce scheme, the development of which would have necessitated the construction of large dams and the creation of reservoirs at Buffalo Lake and Sullivan Lake in Alberta.

Present investigations are based on a rolled earth fill dam across the Red River, three miles north of Ardley. It will be 175 feet high and will create a reservoir of 300,000 acre feet. The plans also provide for the construction of a hydro-power plant, which will give an estimated annual output of 30 million kilowatt hours for pumping and industrial uses.

At the South Saskatchewan-Qu'Appelle River project in southern Saskatchewan one scheme is now being studied, estimated to cost $66,360,000. This scheme, besides supplying water for Moose Jaw and Regina, could irrigate 500,000 acres. Of this, 123,000 acres will be irrigated by gravity and 377,000 acres by pumping. The project will require 12 years to complete.

Plans call for a rolled earth fill dam 210 feet high above the river bed. They also provide for a reinforced concrete spillway to discharge at least 300,000 cubic feet per second. Two power tunnels will discharge water through turbines in a powerhouse situated immediately below the dam. The power plant will be designed for an ultimate installed capacity of 120,000 hp. Such a plant could generate in primary power about 500,000,000 kw. hours per year. This would be more than the province's present power production of 250,000,000 kw. hours.

The Aetna Irrigation district main canal to serve approximately 8,000 acres of irrigable land near Cardston, Alberta, cost about $82,000, has been completed.

On the Richardson-McKinnon project at Consul, Saskatchewan, the main canal and distributing system were built; 15 settlers were placed on 1,700 acres of irrigated land. Cost about $54,000.

Six storage dams with a total storage capacity of about 13,000 acre feet of water were constructed near Plenty, Beechy, Lucky Lake, Hanley, Matador and Bracken, all in Saskatchewan. These dams are of the multiple-purpose community type for storage, stockwatering, domestic use and limited irrigation. Their cost was $35,224.

The number of small projects constructed during 1946-47 was 5,187, with a total financial assistance of $609,420. Both totals exceed those of any previous year, with the exception of 1940-41. Of this total 911 are in Manitoba, 3,963 in Saskatchewan and 313 in Alberta.

One of the major undertakings in recent years was the completion of the Caron storage project at a cost of about $700,000. It was the realization of a 50-year-dream of Moose Jaw pioneers — the bringing of water from the South Saskatchewan River near Riverhurst to Moose Jaw, a distance of 90 miles.

Another large project in Saskatchewan is the $220,000 Val Marie scheme, built in 1936. About 3,000 acres receive water from the Frenchman's River. The Dominion has spent more than $1.4 millions in the development of other irrigation projects in the province.

One at Swift Current, when properly exploited, will irrigate about 25,000 acres. Already the project has cost $650,000 but to date only 3,000 acres are in use. The main dams and irrigation system were a federal government undertaking. Irrigation projects operating at Val Marie, Eastend and Maple Creek serve about 225 farmers and delivery of water is made to 9,500 acres of irrigable land.

The Bow River Development in Alberta is another large project. It consists of improvements and extensions to the existing works of the Canada Land and Irrigation Co. When completed, it will supplement water supplies to 55,000 acres already under irrigation and bring 180,000 additional acres under the ditch. The estimated cost of the project is $4,016,$000, to be shared by the Dominion, province and company.

Not All were Successful

What about some of the PFRA failures? Practically no use is being made of the Souris-Estevan project in southern Saskatchewan, although it has not been written off as a complete loss. Plans are under way now to have interest in it revived. The project originally cost $90,000.

The Qu'Appelle River development, built at a cost of $270,000, is not being used to capacity, especially its irrigation facilities. In 1947 only 300 acres in the Lumsden area were irrigated, the rest remaining idle. The project is capable of irrigating up to 5,000 acres. This development is for the conservation of flood water of the Qu'Appelle River including Moose Jaw Creek, Long Creek and other important tributaries for irrigation, lake control, stockwatering and other purposes.

Completed in 1938 at a cost of $13,160, the Big Arm Storage on last Mountain Lake has been declared a virtual failure. The project consists of a storage reservoir for 5,200 acre feet of water, from which over 5,000 acres of land could be irrigated by pumping.

Moose Jaw Creek flood irrigation has not been put to any great use. This is due largely to the good crop conditions of recent years and the high prices for grain. The project consists of flood irrigation for about 2,250 acres of irrigable land by retarding the spring runoff. The storage capacity of the reservoir is 2,180 acre feet and it is large enough to serve 33 farms. It was completed in 1938 at a cost of $7,618.

Despite its location in the southwest corner of Saskatchewan, generally known as the dry belt, there has been no great enthusiasm to advance the Cadillac project and several others along Notukeu Creek and the Wood River.

Approximately 8,000 acres are not being used in the Pike Lake area, near Saskatoon. However, there is a move to utilize some of the acreage this spring.

Another failure has been the Canada Land & Irrigation Co. project, near Medicine Hat. To date more than $12 millions has been spent on it, although it was largely a failure before PFRA stepped in and spent close to $80,000 on it in 1936. Originally constructed to irrigate 165,000 acres, now only 65,000 acres are being used.

Also looked upon as a complete failure is a project built in conjunction with the Canadian Pacific Railway in western Alberta, along the line near Strathmore. This project, too, was practically written off as a total loss before PFRA was called upon to assist it. Originally the project took in 240,000 acres; today only between 40,000 and 50,000 acres are used.

PFRA spent approximately $27,000 near Atlee, Alberta, to provide irrigation for 7,000 acres. These are now largely idle. Gas wells were drilled to determine the feasibility of using natural gas for power in pumping water from the Red Deer River for irrigation. The work was completed in 1939.

Something different was undertaken by PFRA in the case of the Rolling Hills irrigation project. Assistance was given to the Eastern Irrigation District in Alberta to repair existing structures and to make water available for irrigating an additional 25,000 acres. The project was completed in 1938 and about 130 settlers from the drought area of southwestern Saskatchewan were moved by PFRA to this district. The settlers made their arrangements in respect to land with the Eastern Irrigation District. The cost to the Dominion, about $46,839, has been more than amply repaid.

These settlers are now financially independent. Had it not been for PFRA, they would probably still be endeavoring to eke out a living on the submarginal lands of southwestern Saskatchewan that should never have been converted into grain farming areas.

Manufacturing Trends

Manufacturing in the Prairies in 1945, latest year for which statistics are available, showed a decrease of $12.5 millions over 1944, gross value of production reaching a total of $339.8 millions.

By cities and towns here are chief Prairie producing areas:

	No. of Plants	Production ($ millions)
1. Winnipeg	716	197.5
2. Edmonton	195	93.4
3. Calgary	216	87.6
4. St. Boniface	55	80.0
5. Regina	108	39.9
6. Saskatoon	86	39.0
7. Moose Jaw	42	34.6
8. Transcona, Man.	6	16.6
9. Prince Albert	32	15.2
10. Medicine Hat	25	13.6
11. Lethbridge, Alta.	30	7.9
12. Brandon, Man.	30	7.2
13. Selkirk, Man.	8	2.9
14. Red Deer, Alta.	12	1.7
15. Melville, Sask.	9	1.5
16. Swift Current	14	1.4
17. Yorkton, Sask.	13	1.2
18. The Pas, Man.	7	1.8
19. Portage la Prairie	13	1.0

Here's How Prairie Population Picture Looks

Two Provinces Show Gains; Move to Cities Big Factor

The drift from the farms of the Prairie Provinces goes on.

New methods, new developments, new conditions brought about by the wartime and postwar demands have impacted on this area in such a way as to have far-reaching effects.

The modern farm on which machines do the work of many men has no longer need for the large number of hired helpers required in earlier days. As the years go by, the old, familiar picture of the Prairies is changing from an endless vista of fields of waving corn into one in which smoke stacks and whirring machinery emerge in increasingly sharp detail.

The very forces which are releasing manpower from the fields are creating an urgent need for the development of other resources in the area and the establishment of plant and machinery to capitalize on them.

New land is opening in the north and there are irrigated sections which may be farmed profitably in the course of time, but at present the growth of these is not keeping pace with the availability of manpower and young people must seek their livelihood in other spheres of activity.

The result is that over the years there has been a steady exodus of young men and women from the farm lands to the cities and towns and out of the Prairie Provinces altogether. Many have come east to the big industrial centres, but many more have crossed the border into the United States, leaving Canada the poorer by their absence.

The magnitude of this exodus comes to light in the details of population gathered for the 1946 Prairie Census which show that since the previous census of 1941, close on 60,000 people have moved out of the area. Here's how the position has changed over the past 10 years:

	1936	1941	1946
MANITOBA:			
Urban	310,927	321,873	337,331
Rural	400,289	407,871	389,592
SASKATCHEWAN:			
Urban	280,273	295,146	316,760
Rural	651,274	600,846	515,928
ALBERTA:			
Urban	286,447	306,586	354,396
Rural	486,335	489,583	448,934

It will be seen that in spite of the drift to urban centres and the exodus, there are still more rural than town dwellers in the Prairies, and although, on the surface, Alberta would appear to have gained slightly over 1,000 in the inter-census period, as births exceeded deaths by about 60,000 during the same period, a net exodus of 53,000 is the true position. Allowing for similar vital statistics in the other two provinces, some idea of the proportions of the shift of population may be gained.

How Age Groups Vary

An interesting point which emerges from breakdown of the population figures of the provinces into five-year age groups is that of Manitoba's total 1946 population of 372,935 males and 353,988 females, 71,162 were under five years old. In 1941, when the population was 2,821 greater, infants were fewer by 503.

Biggest adult age group in Manitoba is in the 20 to 24-year-old category which numbers 65,337 (31,842 males and 33,495 females). This province also boasts a larger number aged 95 and over; despite a smaller population than either of the other Prairie Provinces, there are 102 near-centenarians in Manitoba. Saskatchewan claims 87, Alberta 57.

In Saskatchewan and Alberta, with the exception of the infant group, the 15-19 age group is the biggest with 80,944 in the former province and 71,916 in the latter, and males in the majority in both areas.

The population of Manitoba increased steadily from the beginning of the present century until after 1941 when the drift away from the area began, and the census shows clearly how disquieting the situation has become. In 1941, population reached its peak figure at 729,744, with 407,871 in the rural areas and 321,873 urban. At the 1946 census, the rural population was 389,592 and urban 337,331.

A similar story can be told of Saskatchewan with a total population of 895,992 in 1941 (600,846 rural; 295,146 urban). The 1946 position was: total population 832,688 (rural 515,928; urban 316,760).

Alberta in 1941 had a total population of 796,169 (rural 489,583; urban 306,586). 1946 figures read: Total 803,330 (rural 448,934; urban 354,396).

Make-up of the Prairies

The population of the Prairie Provinces has been drawn from all parts of the civilized world, and a special section of the 1946 census shows a breakdown of the total population from this angle. Here's the position in the separate provinces:

Manitoba	
Native born	558,673
British	70,841
United States	13,935
European (incl. 24,117 from USSR)	86,498
Saskatchewan	
Native born	637,666
British	59,275
United States	45,048
European (incl. 23,438 from USSR)	87,450
Alberta	
Native born	577,905
British	74,349
United States	57,088
European (incl. 16,536 from USSR)	88,536

The figures include a number of persons with birthplace not stated, residents in Yukon and the North West Territories and from various countries not specified.

The divorce rate in Alberta, the census shows, is much higher than in the other two provinces. Of the total population of 803,330, there are 2,232 divorced persons (1,105 male, 1,127 female). Comparison figures are:

Manitoba, 1,331 (568 male, 763 female) and Saskatchewan, 1,099 (538 male, 561 female). Other marital status figures are:

Prov.	Single	Married	Widowed
Man.	361,104	332,088	32,400
Sask.	442,172	359,091	30,326
Alta.	410,394	360,230	30,474

Agriculture, service and manufacturing offer employment to the largest groups of wage earners in the Prairies. In Manitoba, 80,675 found a livelihood on the farms, 36,926 in services of one sort or another and 32,822 in manufacturing and mechanical trades. Clerical work occupied 26,896 and 19,944 people held proprietorial or managerial positions. There were 19,287 engaged in transport and communications, 16,055 in commercial and financial work and 15,455 in a professional capacity. Construction accounted for 12,472 wage-earners, labor for 11,815, mining for 1,925 and other primary jobs for 3,546.

Of the total, 13,593 were employers and 67,018 in business on their own account; wage-earners totaled 179,346 and children of working age, assisting their parents but not receiving pay at the time of the census numbered 21,139.

More Owners Than Tenants on Prairies; Here Are Details of Some of the Cities

House owners still outnumber house tenants in Canada's Prairie Provinces.

The 1946 census of the Prairie Provinces, shows that of the 283,090 farms in Manitoba, Saskatchewan and Alberta, 199,076 are owner-occupied, only 39,014 tenanted. Of the 348,437 nonagricultural properties in the Prairies, 203,026 are owner-occupied, 145,411 tenanted. By provinces, the breakdown is:

Provinces	Total Dwel.	Farms Owned	Farms Tenanted	Non-Agric. Owned	Non-Agric. Tenanted
Manitoba	175,587	43,472	7,457	75,535	48,292
Saskatchewan ..	205,342	85,851	18,924	58,271	41,119
Alberta	209,112	69,753	12,633	69,220	56,040

Included in the totals are a number of institutions and dwellings, the tenure of which has not been shown; but the figures clearly reveal the Prairie residents' preference for "being their own bosses" in the matter of home ownership, and an accordingly healthy all-round financial position.

This is how owner-occupiers of single dwellings valued their properties in 1946:

Province	Under $ 1,000	$5,000	$10,000	over $15,000
Manitoba (Total 71,716)	12,174	6,423	1,810	604
Saskatchewan (Total 56,185)	15,274	2,910	550	116
Alberta (Total 64,590)	13,043	5,035	1,312	383

In 1931, this was the position:

	Total Households	Owned	Rented
Man. ...	148,590	94,976	53,614
Sask. ..	199,385	143,290	56,095
Alta. ...	173,502	121,491	52,011

Home-Building Interests

Do buildings last longer in Manitoba than in Saskatchewan and Alberta: It would appear so, for 57,094 of the total listed are recorded as having been built before 1911, as against 36,625 in Saskatchewan and 209,112 in Alberta.

Figures for recently-erected homes show a sharp upward curve in all three provinces. In 1942-43, new homes erected in Manitoba numbered 5,034; Saskatchewan 5,039; Alberta 8,274. These figures jumped in 1944-45 in Manitoba, 8,576 in Saskatchewan and 12,045 in Alberta.

Only in the last-named province did urban building exceed rural, 6,299 buildings having been erected in the urban centres, against 5,746 in rural. In Manitoba, 2,578 urban homes were built, 4,736 rural; in Saskatchewan, 4,983 rural, 3,593 urban.

Most homes in the Prairies contain four rooms. Of the total number, 121,646 have that accommodation, but 33,402 are shown to have only one room and 4,992 households have more than 11 rooms; 58,259 homes are occupied by only one person, 116,818 by groups of three, and 1,630 by groups of 15 or more.

How Houses Compare

Housing characteristics in the urban centres of the Prairies are tabulated in a report on centres of 5,000 population and over, and interesting comparisons are thus possible. For instance, in Brandon, Manitoba (population 17,551) the number of persons per dwelling averages 3.8 and the average number of rooms per dwelling is five. Age of heads of households averages 51 (owners 53, tenants 47) and their average earnings, $1,700. Average value of owner-occupied dwellings is $2,000 and the average monthly rent of tenanted dwellings, $26.

The principal exterior material of the houses in the town is: wood, 2,350; brick (including brick veneer) 842; stucco, 515; stone, concrete, etc. 58. Material of remaining 70 buildings was not stated.

Heating in 59.4% of the houses is by hot air furnace; in 18.7%, by steam or hot water. Stoves are used for heating 20.8% of the dwellings and grates, fireplaces, etc., for 0.8%. (0.3% not stated.) By far the greatest number of townspeople, 97.8% use coal for their heating systems.

Running water is laid on in 82.6% of the homes and the supply in 5.9% is obtained by hand pumps within the dwelling. Flush toilets are installed in 85.9% of the houses, 12% have outhouses; 81.3% have bath facilities, 18% have none. Here are a few other interesting points:

48.6% of the homes have telephones; 50.3% have washing machines; 29.7% own vacuum cleaners; 91.2% have radios; 23.4% own passenger cars.

Picture in Yorkton

Returns for Yorkton, Saskatchewan (population 5,714) show that persons per dwelling average 4.1; rooms per dwelling 4.8. Age of heads of households averages 50, and their earnings $1,590. Value of owner-occupied single dwellings is shown as $3,300; and monthly rent of tenant-occupied homes is the same as in Manitoba—$26. The town has 1,336 dwellings, 998 of which are single, 15 semi-detached; 308 apartments and flats and eight unclassified.

In Yorkton, wood is also the favorite exterior material, 843 of the town's 1,336 houses being of that construction. There are 239 stone dwellings, 200 stucco, 19 of stone, concrete, etc. and 35 not stated.

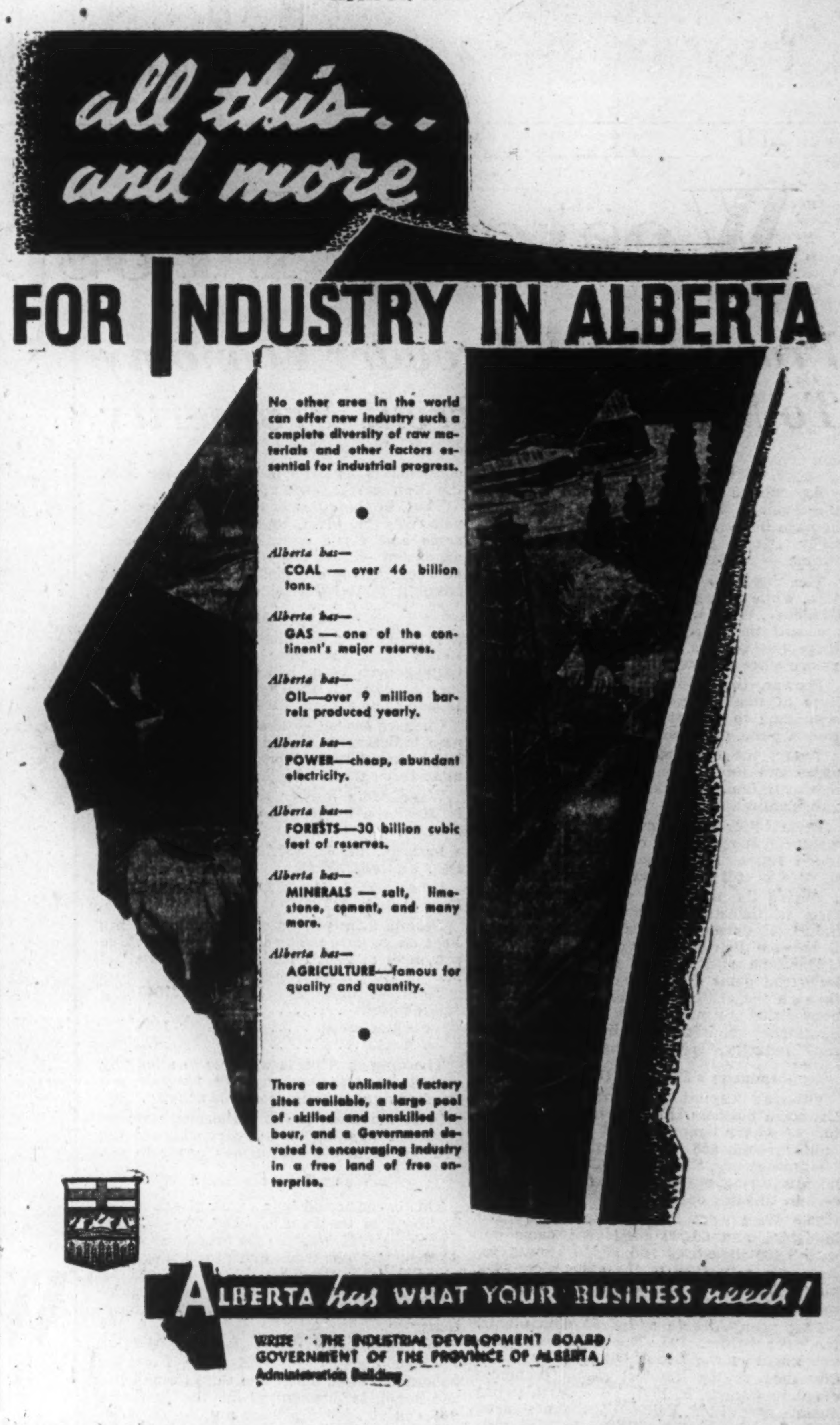
In the Saskatchewan town 36.9% of citizens heat by hot air; 26.5% by steam or hot water. Stoves are used for heating 35.6% of the homes, and grates, fireplaces, etc., for 0.4%. (0.6% not stated.) Coal is burned in 79.3% of the homes and there is running water in 79.3%. Flush toilets are installed in 70.7%; 27.4% have outside facilities. There are baths in 64.0% of the houses.

And in Medicine Hat

One of the cities selected for survey in Alberta is Medicine Hat, with a population of 12,859. Occupied dwelling units number 3,560 of which 62% are occupied by owners and 38% by tenants. Of these, 69% are single houses and 29% apartments and flats. Wood is again the principal exterior material of 65% of the dwellings; brick or brick veneer of 14%, and stucco, of 18%. Rooms per dwelling average 4.7%. Ages of heads of households average 50 and their earnings $1,770. Owner-occupied single dwellings have an average value of $2,910 and the average rent paid by tenants is $25 a month.

Hot air furnaces heat 39.0% of the houses; steam or hot water 13.6%; 39.9% use stoves, but only 0.3% use coal for heating, 99.0% use gas. Running water is laid on to 98.8% of the homes; 0.8% draw their supply from outside the dwelling. Flush toilets are provided in 94.5% of the houses; only 4% use outside facilities. There are baths in 89.4% of the homes.

Only 36.3% of Medicine Hat residents have telephones; 46.5% have electric washing machines; 23.3% electric vacuum cleaners; 82.7% radios and 17.2% passenger cars.



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Sugar Beets $6.5 Million Business

Southern Alberta Has Outstripped Ontario in Field

(Special Correspondence)

LETHBRIDGE—At the base of southern Alberta, is the $6.5 million beet sugar industry which in the 1948 season will see further advancement in its contribution to the country's domestic sugar production.

The output of the two southern Alberta factories—Raymond and Picture Butte—now exceeds 100 million lbs. annually, enough to supply the sugar bowls of Alberta and Saskatchewan and part of Manitoba. Manitoba has its own factory in the vicinity of Winnipeg while two plants in Ontario and one in Quebec round out the beet sugar picture in the Dominion. Alberta has now outstripped Ontario in the production of sugar.

This region has natural advantages that make beet growing particularly attractive and successful. The sugar stored away in these long, silvery, tapering roots comes from the soil, air and sunshine. For 200 years this plant has been grown and improved for the benefit of man. It requires detailed attention, cultivation and water at the right time.

In Alberta's beet belt there is deep, rich soil, irrigation assuring water when needed, long hours of sunshine, a long frost-free season and farmers experienced in beet growing. Folks are beet conscious in this country and proudly point to what the beet industry has done in stabilizing agricultural economy.

When the south Alberta farmer, businessman and banker looks over figures like these one can understand his high estimate of the lowly sugar beet:

Over 100 million lbs. of sugar produced annually.

Some 60,000 lambs and 15,000 to 20,000 head of cattle fattened each year on beet pulp and "Betalasses," succulent byproducts of the sugar factories. Round the factories spread out the commercial feedlots where the sheep and cattle are fed—a great industry growing out of the beet business.

South Alberta farmers receive around $5 million in "beet money" each year in an assured cash crop.

Alberta factory workers receive $70,000 annually, the railways over $575,000, coal mines and lime quarries $150,000, other Alberta factories $150,000.

See Bigger Canadian Market

All this flows from two factories suggesting concretely why the beet producers maintain Canada should expand her sugar industry to a point where not 20%, as now, but 50% at least of the country's sugar consumption comes from Canadian farms.

That highlights what Phil Baker, of Raymond, Alta., national president of the organized sugar beet producers, calls a "National Sugar Policy." He wants a "floor" price for beet sugar, one brought into line with the price Canada is paying for imported cane sugars. The growers maintain that the experience of the last war, when for the first time Canada sensed the vital importance of a domestic sugar supply, should justify every encouragement to the beet industry in time of peace. They want a long-range policy on sugar similar to that enjoyed by the Canadian wheat farmer and look to Ottawa to provide it.

It is felt that given the right incentive, the number of sugar factories in Canada could be doubled and all made to pay. The Government is asking an area to beets this year of 95,000 acres, the same objective as last year. Unless satisfactory guarantees of prices can be given, plus assurances of needed labor, it is doubtful if this goal will be reached. While Alberta growers, for example, expect to realize $14 a ton for beets grown in 1947—the final settlement will not be made until all the sugar has been marketed—growers point to rising costs of production. Government bonuses on sugar have been dropped this year.

Depends On Irrigation

The beet industry in Alberta grew with irrigation; in this region it is tied-in with the water ditch because of the semi-arid nature of this country. A rainfall deficiency in the summer exists and to offset this water from the canals is run down the rows of beets in the fields, keeping the soil moist and the crop growing. It is a striking picture to see these long rows of green beets with water slowly flowing through their length. Here irrigation is essential to beet production which is why southern Alberta farmers are pressing for more irrigation and additional water storage. Hinging on the $20 million St. Mary Milk River Water Development of the dominion and provincial governments, is the future expansion of the sugar business in this area.

Another factor of primary importance is a satisfactory supply of labor. Although the trend in the beet sugar industry is mechanization—more than 80 mechanical harvesting units, not counting automatic loaders, were used last year in southern Alberta—much hand labor will be required for many years to come.

In the irrigated beet areas of the United States, up to 25% of the beets are now mechanically harvested, while the general use of segmented seed is simplifying blocking and thinning. Segmented seed is beet seed broken up so that instead of beets growing thickly in bunches along the rows as in the past the number of plants is greatly reduced, with a marked saving effected as might be imagined.

In some U. S. areas a "beet topper" is in use, a machine with rotating flails that literally beats the leaves off the root taking four rows at a time and going over the field twice. The chief disadvantage to this, in the opinion of Canadian experts, is that the tops are largely wasted—when hand topped they make excellent livestock feed—and that there is also a wastage of sugar content and a lowering of the purity of sugar. It is believed, however, that the unit will be improved.

In The Factories

Sugar factories are turning out much more dried pulp than formerly, a trend that inspired Canadian Sugar Factories Ltd. of Alberta, to provide for a complete pulp drying unit at the new Taber factory scheduled to go into production in the fall of 1949.

During the drying process, it is pointed out, from 10% to 20% betalasses is added, greatly increasing the feeding value of this product. Pulp in this form can be distributed economically over much greater distances than wet pulp and thus is available to many more farmers in their feeding operations. The dry pulp can also be stored on the farm as it is made for use as required during the feeding period.

Price for dried pulp at U. S. factories runs around $45 a ton.

The history of the beet industry in southern Alberta goes back to the turn of the century. It was during the colonization program here of the Latter Day Saints (Mormon) church that they built the first major irrigation scheme—financed by Sir Alexander T. Galt and his associates—and as an assured cash crop for the new settlers along the canal Jesse Knight, a Utah Mormon millionaire industrialist and humanitarian, took a bold venture. He and his sons William and Raymond, built western Canada's first beet sugar factory at the new town that bore his son's name—Raymond. It operated for a few years but labor difficulties and the turn from beets to wheat by the farmers finally forced the company to shut down the mill and move it back to the States.

Interest Revives

The factory was gone but with the passing of the years there was a revival of interest in beet growing among farmers on high priced irrigated lands and in 1925 the Utah-Idaho Sugar Company was induced to build a factory in Alberta. It was also at Raymond. This time the undertaking was a success. The U. S. concern later sold out to the Rogers cane sugar interests of Vancouver, and a wholly-owned Alberta company was incorporated to operate the Raymond plant and in 1936 a second plant, the one at Picture Butte. Today the industry is permanently rooted in this region and a third plant, the last word in factory construction, is being built at Taber. It will cost possibly $3 millions when finished including one of the best sugar laboratories in North America. It is expected the Taber mill will be ready to go into operation the end of 1949. It will have a slicing capacity of 1,700 tons of beets a day.

As already indicated the beet industry supplies work for many hands and the new wealth it creates is widely spread out. Southern Alberta's 1,500 sugar beet farmers produce yearly over 30,000 acres of beets which yield around 13 tons to the acre. They employ 3,000 beet workers, teams, trucks, etc., to produce over 380,000 tons a year. The Taber plant will mean a general stepping up of these operations. The two factories employ over 800 men during the annual "campaigns," the factories winding up their runs late in January. All channels of trade are benefitted by these varied operations and along with them the extensive livestock feeding industry that has grown up around the factories.

There is one problem being seriously studied by the sugar company, especially by T. George Wood, its general manager, and that is the matter of markets once the big Taber plant goes into operation. While the growers are persistent in their demand for more factory facilities, Mr. Wood is seriously pondering future sales. And he frankly admitted to The Financial Post that the company is going ahead on the basis of a probable increase in sugar consumption now that restrictions are off—Canadians normally eat about 100 pounds of sugar a year—and also in the likely flow of immigration into the west in the next few years.

Prolonged Winter In South Alberta Kills Off Calves

From Our Own Correspondent

CALGARY—Near-winter conditions prevalent throughout Southern Alberta are reported taking a heavy toll of spring calves. More than 50% of the range calves dropped during the last two weeks have died from exposure.

Hay prices in some districts have skyrocketed; race-horse owners in Calgary's Victoria Park are having to pay $60 a ton.

Farm Machine Imports High Above Exports

Canada, in 1946, produced farm machinery to a value of $50 millions; exported $26,661,562 worth of this, and imported such machinery to a value of $68,351,742. Production figures for 1947 are not yet available, but exports increased in value to $42,237,917, and imports to $105,404,869. Similar figures for the years 1940 to 1945, as compiled a Ottawa, are:

PRODUCED IN CANADA	
1940	$18,285,000
1941	22,411,000
1942	19,638,000
1943	18,930,000
1944	26,297,000
1945	38,701,000
EXPORTED FROM CANADA	
1940	$ 9,537,256
1941	11,872,880
1942	9,121,748
1943	10,283,789
1944	13,433,857
1945	20,196,085
IMPORTED INTO CANADA	
1940	$30,673,217
1941	30,994,624
1942	23,643,799
1943	20,228,341
1944	40,611,124
1945	50,435,476

HARD ROCK GOLD MINES experienced a 1947 operating loss of $29,430 and a net loss of $150,410 after all charges, including depreciation at 5%. A small operating profit was realized in the first two months of 1948 and operations are continuing.

Ore reserves dropped by almost 50% in 1947, as noted below.

President Thos. H. Rea states that the management hopes it may prove possible to continue operations on the basis of quartz ore alone, but that it is not possible to make any definite statement as yet. Production, however, would necessarily be at a reduced rate. Some extraction of ore has continued in the sulphide zone.

Recent diamond drilling, surface and underground, south of No. 2 shaft has returned encouraging results and underground exploration is planned.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Bullion prod.	$675,084	$717,556
Less: Oper. exps.	707,976	675,873
Net oper. prof.	*32,892	41,683
Add: Int. recd.	3,462	3,501
Total net earn.	*29,430	45,184
Less: Deprec.	51,494	55,650
Def. devel. w/o	49,409	51,383
Shaft w/o	20,077	24,543
Net loss & deficit	150,410	86,392
*Loss.		
Earnings per Share	d$0.05	d$0.03
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & bullion	$145,968	$171,240
Govt. bonds	96,852	96,854
Accts. rec.	765	......
Mat. & supplies	95,406	122,595
Total curr. assets	338,991	390,689
Prep. & misc.	33,504	39,520
Def. develop.	319,644	390,514
Outside explor. def.	14,567	9,150
Int. Ashmore G. M.	19,029	19,028
Claims & props.	56,542	56,542
Plant & equip.*	285,815	330,217
Total assets	1,068,092	1,235,660
Total curr. liabs.	39,917	57,075
Capital stock	1,594,279	1,594,279
Less: Deficit	566,104	415,694
*After depr. of	795,437	782,777
Working capital	299,074	333,614

OPERATING STATISTICS

	1947	1946
Tons milled	98,818	102,766
Aver. recov.	$6.83	$6.98
Ore reserves, tons	‡70,179	‡139,287
Grade	§	$6.90

‡In addition, free milling reserves are estimated at 12,000 tons of $7 grade.
§Unstated.

Electrify More Manitoba Farms

From Our Own Correspondent

WINNIPEG — Five thousand farm homes and 50 small towns and villages are to be added this year to the hookup of the Manitoba Power Commission.

The Legislature has set aside $8,175,000 of a $14,872,054 capital supply vote, for rural electrification extension. The allocation for the Power Commission is:

For farm extensions and hook-ups	$4,250,000
Extensions to towns and villages	825,000
For other general extensions, increasing capacity of system, and construction of heavy trunk lines	3,100,000

The 5,000 farm applications to be filled are in 50 rural municipalities. The program involves construction of 4,000 miles of transmission lines and tap-offs to the property of each new prospective customer. Under the Commission program, power facilities are delivered to the farmyard of the applicant.

Shortage of labor and material delayed the 1947 program, which will be completed this spring, giving the Commission 7,400 farm services on its books. At end of this year it plans to have 12,400.

The main other items of capital expenditure are $3 millions for the Manitoba Telephone System; $1,275,000 for construction and repairs to provincial trunk highways; $325,000 for mining roads; $200,000 for tourist roads in forest reserves; and $725,000 for the University of Manitoba.

Because the new Canadian-made Massey-Harris "Pony" has opened up a great new market for tractors.

One year ago, Massey-Harris introduced a new small tractor . . . the "Pony" . . . with a full complement of mounted tools . . . to be made in its Canadian factory at Woodstock. Previously, all tractors used in Canada, were imported. Thus, Massey-Harris took two important steps which are bound to play a big part in Canadian prosperity during the years ahead.

The "Pony" opens up a great new market for tractors, both in Canada and in the export field. The last Canadian census showed nearly 500,000 farms still without tractors . . . many of which are small farms and market gardens where big tractor outfits are not practical. And there are a great many more thousands of small farms in the United States, in Europe, in Africa, and other countries where Massey-Harris products are sold. Almost every one of them is a prospect for a "Pony".

The manufacture of the "Pony" Tractor in Canada will provide jobs in the years ahead for Canadian workers . . . not only those employed in the Massey-Harris factory, but also those employed in the industries which supply materials, parts and services.

The great and growing demand for the "Pony", from the day of its first public demonstration, is evidence of its real need and place in Canadian and world agriculture.

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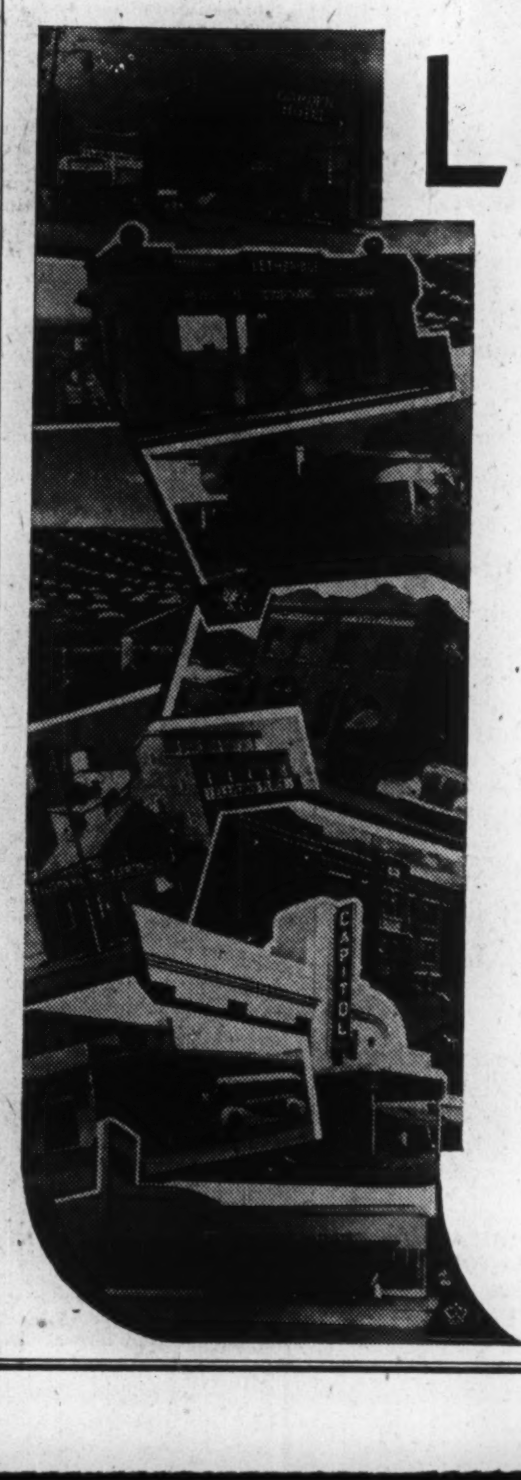

LETHBRIDGE

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1—THE MOST STABLE ECONOMY in WESTERN CANADA

—Total new wealth production for the C.P.R. Lethbridge Division for 1947 .... $102,300,000
Total population for the Lethbridge Trading Area 102,000
—In the last population figures for Canada, Lethbridge ranked 58th BUT—
In postal revenue— Lethbridge ranks 29th
In bank deposits— 30th
In sales tax collections 44th
In building permits— 28th
—360,000 acres under irrigation assure large, yearly output of farm produce.
• 7,000,000 acres is the total area available for farm and ranch lands.
—Manufacturing industries already established in the Lethbridge District include:
—2 sugar factories, worth $3,500,000, at Raymond and Picture Butte, with a third under construction at Taber.
—Vegetable canning and macaroni factories, flour mill and brewery at Lethbridge.
—Vegetable canning, cheese and clothing factories in adjacent area.

2—THE GREATEST FACILITIES FOR EXPANDING PRODUCTION

Coal reserves estimated at 2,000,000,000 tons suitable for power and heating, and for industrial utilization through research.
Oil fields being constantly developed—large Canadian field in Taber-Conrad area.
St. Mary and Milk River irrigation project, a $15,000,000 programe — under construction in 1948 to irrigate an additional quarter-million acres in South Alberta.

3—IDEAL CONDITIONS FOR ECONOMICAL OPERATION

The mildest climate on the Prairies.
An abundance of cheap fuel—coal and natural gas.
Many industrial sites available for development.
Transportation—Canadian Pacific Railway connections to main line.
—On Trans-Canada Airlines—connections north to Edmonton and Alaska.
—Via Western Airlines to United States.

ADDRESS ALL ENQUIRIES TO: LETHBRIDGE CHAMBER OF COMMERCE

Prairies Have $20 Million Forest Industry

Three Provinces Control, Conserve, Vast Woodland Wealth

Conservation and planned forest management is the order of the day in Prairies forestry. While it is natural to think of the three provinces primarily as constituting the breadbasket of Canada, they also have a wealth of natural resources in forest lands which form the base for a $20 million industry.

For example:

One third to one half of the entire area of Saskatchewan is forested.

In Alberta this year 81 million acres, half the area of the province, was declared closed to settlement and reserved for forest development.

Of the forest reserves of Canada totalling 88,560 sq. miles, 22,000 sq. miles lie within the boundaries of the Prairie provinces.

Importance of forest production to Saskatchewan was highlighted last year by the report of its Royal Commission on forests.

This report stressed fire prevention as the most urgent problem facing the province in conservation of its forests; at the same time pointing out that the forest resources of Saskatchewan are far from being fully developed.

Since then it has been estimated that when all of Saskatchewan's forest area is repaired and brought under planned management as suggested by the Commission it will produce possibly three times the present value of wood products annually, or $20 millions.

Fire Damage High

Fire damage in Saskatchewan has been such that since 1910 more than half the province's forest area has been burned down—at the rate of 270,000 acres a year. Fire damage is still running high, although many steps are being taken to combat such damage, including training parachute fire fighters.

Future of Saskatchewan's forestry lies in a central belt which extends south from Prince Albert on the Saskatchewan River. A line from Prince Albert to Kamchack would indicate the direction of its southern boundary. Total area is approximately 55,000 sq. miles, half of which do not carry any merchantable timber.

About 95% of the saw timber cut in Saskatchewan is of softwood species—but the spruce is running out rapidly, and is found now in relatively small patches in somewhat inaccessible areas.

While the exact amount of marketable timber in the province is not known, recent estimates put the figure at four billion board feet. This, however, is one-third inaccessible at present.

And more than half this four billion feet consists of white poplar, for which a use has yet to be found as an acceptable building material.

Use of this poplar for making paper pulp and wallboard is now being considered. Need for developing along these lines is urgent, for the whole of the province's industry has hitherto been founded on the fast-diminishing spruce stands which have gone into house-building, poles, railway ties and numerous other everyday products.

Pulpwood Prospects

In the field of pulpwood making, the province has standing poplar of pulpwood size to the extent of 50 million cords—a resource which will increase with the years. Supply of poplar is much greater than the demand, and all aims are toward developing new uses for it.

Aerial photography is now being extensively used to take stock of Saskatchewan's forest resources, to ascertain both quality and quantity of material in the province's timber lands.

This stock-taking will answer at least one very vital question; is there enough timber to establish a pulp or wallboard mill? Preliminary surveys indicate that there is enough poplar wood to sustain a pulp mill for some time to come, providing adequate protection from fire, insects and disease can be devised.

Total value of Saskatchewan's forest products for the 11-month fiscal period 1946-47 was $6.6 millions compared with $7.2 millions in the preceding 12-month period.

Increased value of products largely offset any drop in the volume of production, occasioned by the province's new policy of putting timber production on a sustained yield basis.

Alberta's Problems

In Alberta, more than three quarters of the area of which is covered with trees of merchantable size, much the same problems of conservation exist, together with a lack of knowledge of actual timber resources, without which no sustained yield basis can be set.

As in Saskatchewan, aerial surveys are expected to be used to take inventory and $55,000 has been set aside to carry out this task. At the same time, heavy demand for building material has kept the cut at record levels.

Conservation measures currently taken include enforcement of diameter limits in cutting operations to prevent harvesting of immature stands, together with setting aside areas for forest development as noted at the beginning of this article.

Lands so reserved will be those on which there is already a considerable timber growth, together with certain submarginal lands unsuitable for agriculture, but offering possibilities for afforestation.

Real timberlands of the province occur east of the Rockies and in the northern half of Alberta; 59,000 sq. miles of forest containing an estimated 30 million cubic feet of saw and pulp material.

At present Alberta's lumbering industry may be said to be in its infancy. With a capital investment of $4 millions, the annual production from 400 mills is around 275 million board feet. Production from lumbering operations last year amounted to $16.8 millions, an increase of $1.8 millions over 1946.

Manitoba Improves

In Manitoba where production last year was estimated at $11 millions, protection and conservation measures undertaken in past years have made the province richer in forest resources than at any time in the past quarter century.

Three provincial nurseries are maintained to assist in restocking blank areas where seed trees are not available. From this stock more than half a million seedling trees are set out every year and this program is being expanded.

Two of Manitoba's six forest reserves have ben set up in areas where the soil is light and sandy. In such regions, trees are required for protection against erosion as well as to control spring run-off for the benefit of fish and game.

At the same time, modern silvicultural methods and management are employed to bring formerly productive areas back into production.

Cutting policy is based on the simple principle that forest resources should be used but not despoiled or wasted.

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In addition to Turner Valley acreage, holds substantial interest in Princess and other potential areas in Alberta, including substantial interest in Standard-Pacific Petroleums Ltd. (formerly South Princess Syndicate), and controlling interest in Atlantic Oil Co. Ltd., which has 3 producing wells in Leduc Field.

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Well No. 1 on production Nov. 15, 1947
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Drilling continuing on other locations.

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Atomic Research To Aid Farmers Expert Predicts

From Our Own Correspondent

CALGARY — Peacetime research into atomic energy will mean improved farm crops for western farmers, Dr. Paul E. Gagnon, Quebec City, president of the Chemical Institute of Canada, said here.

One of the aims of atomic research, he explained, is to improve the quality of all types of crops. Within the next five or 10 years, he predicted, experts should develop healthier grains and fruits through the use of atomic implements in agricultural research.

"The field (in atomic research) is so broad, we are just starting," Dr. Gagnon said. "But with the use of radio active isotopes and the Geiger counter, we are able to trace chemical actions as never before."

Through atomic research it was possible to follow the complete chemical reactions in drug synthesization from start to finish and to get a more accurate and informative picture of the changes, the speaker said.

Many Manitoba Municipalities Are Debt Free

From Our Own Correspondent

WINNIPEG—Half of Manitoba's rural and suburban municipalities, towns, and villages (85 out of 170), had no debenture debt or deferred liability at the end of 1947.

A summary prepared by Municipal Affairs Minister William Morton shows that 51 out of 110 rural municipalities were debt free; so also were 18 out of 24 villages and 16 out of 31 towns. Five Winnipeg suburban municipalities and the four cities of the province have debenture debt.

Outstanding municipal debt, not taking into account the cities is improving, Mr. Morton's report says. It now stands at about $9 millions, having been reduced by $8 millions in the last 10 years.

Exclusive of the cities, the municipalities levied $11,080,000 for taxes in 1946, on a net assessment of $242,612,000. In 1947 the levy was increased to $11,520,000, but tax collections were $214,000 less; 102.63% of the levy, against 108.56% in 1946. The drop was not unexpected, because of liquidation of tax arrears. In 1944 arrears in all forms totaled $9,428,000. Within the next two years they were reduced by $1.8 million.

Municipal investments are decreasing. In 1945 they totaled $5,327,000 and in 1946 $4,957,000, with a further drop indicated for 1947.

On the other side, operating costs are going up; $11.1 millions in 1945, $12.7 millions in 1946. Of this increase, $350,000 was in uncontrollable costs, mainly for schools. Most of the remaining $1,250,000 was for public works and purchase of equipment.

Mr Morton's report repeated the warning of the last three years that municipal councils be cautious about using reserves for current expenditures. The advice is to levy back for at least a part of these reserves while conditions remain favorable, and the tax-paying capacity of the people is high. Otherwise municipalities may find themselves with no reserves and a small amount of tax arrears as an anchor in less favorable times, the Minister stresses.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SHEA'S BREWERY 1947 net profit was up 45.5%. Brewing capacity was increased by the installation of new beer storage tanks and other equipment; extensive repairs and alterations were made to brewery buildings; and a new cash-and-carry store was constructed on the brewery property. These involved capital outlays of $109,000. New bottling equipment has been ordered, and it is expected that this will be operating by the autumn of 1948. Amounts totalling over $50,000 were expended on building improvements and new equipment for wholly owned hotels.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$1,973,299	$1,807,980
Less: Depr.	128,176	111,891
Excess purch. pr. subs. shs.	......	15,143
Income tax♦	872,284	1,020,186
Add: Asset sale	......	17,715
Net profit*	972,839	668,475
Less: Cl. A divds.	75,145	......
Cl. B divds.	373,376	......
Surplus for year	524,318	668,475
♦Incl. ref. EPT	......	45,300

*Note: Co's. report includes ref. EPT in net profit.

Earnings per Share and Dividend Record:

	1947	1946
Cl. A:		
Excl. ref. EPT	$7.25	$4.46
Incl. ref. EPT	7.25	4.76
Paid	0.55	....
Cl. B:		
Excl. ref. EPT	4.78	3.26
Incl. ref. EPT	4.78	3.51
Paid	2.00	....

CONDENSED CONS. BALANCE SHEET

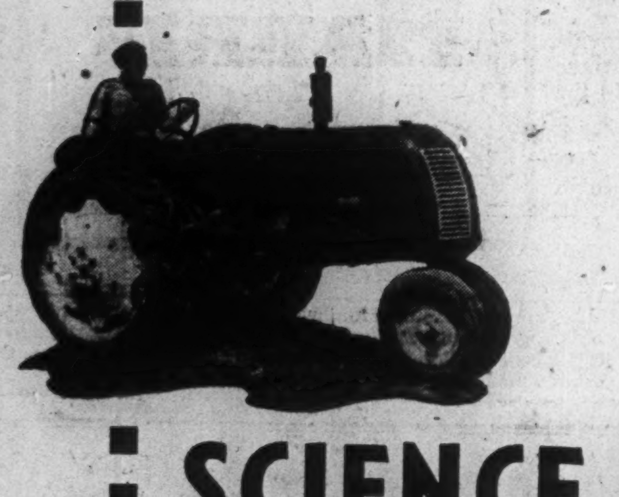
As at Dec. 31:	1947	1946
Cash & Dom. bds.	$972,216	$1,050,654
Accts. rec.	229,135	90,439
Inventories	246,778	351,823
Total curr. assets	1,448,129	1,492,916
Prep. exp.§	22,995	28,701
Mtges. & ln. rec.	291,636	114,254
Invest. & adv. subs.	768,063	652,483
Misc. assets▲	248,153	261,646
Brewery*	430,244	346,291
Hotel prop.■	972,933	790,664
Total assets	4,182,158	3,686,955
Total curr. liabs.	585,533	645,077
Mtge. pay.	44,500	......
Pension liab.	73,753	90,002
Hotel subs. res.	200,000	200,000
Capital stock	1,300,000	1,300,000
Earned surplus▲	1,978,367	1,451,876
*After depr. of	335,635	539,069
■After depr. of	617,698	736,385
▲Incl. ref. EPT	208,671	212,902
§Incl. in curr. assets in co's. report.		
Working capital	862,596	847,839

NORBENITE MALARTIC MINES balance of option comprising 646,662 shares at prices ranging from 50 to 65 cents a share, under agreement with Draper Dobie & Co., has been terminated by mutual consent.

TOWAGAMAC EXPLORATION CO. reports that St. Francis Mining Co., in which it holds an interest, received a 500,000-share block of shares in Hewfran Gold Mines for Bachelor Lake claims. Hewfran has received $30,000 from Dome Mines and owns a property adjoining an important silver-lead-zinc discovery made by Dome. Towagamac also retains unstated interests in Francoeur, Lake Fortune, Newnorth and a "substantial interest" in Lynbar Mines.

Balance sheet as at Dec. 31, 1947, shows current assets of $130,979 including $126,122 accounts receivable. Accounts payable were $141,775. Unsecured loans were shown at $44,768 while investments were carried at $528,822. Loss for 1947 was $7,947.

DOMINION ALKALI & CHEMICAL CO. has been granted tax commutation by the town of Beauharnois. Valuation for the first two years is to be $20,000; for the third, fourth and fifth years $50,000; and for the next five years, $75,000.



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LETHBRIDGE

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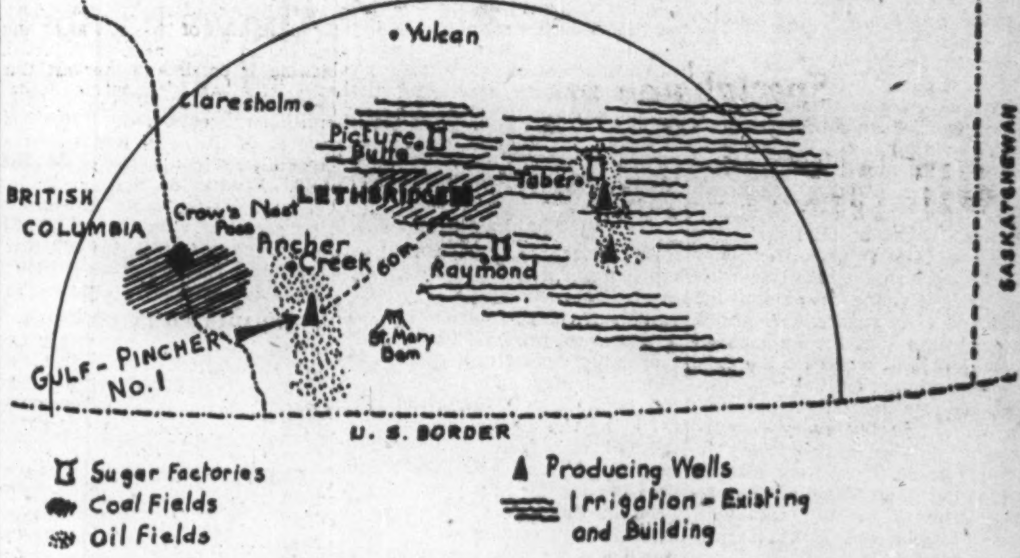

The Gulf Oil development at Pincher Creek, only 60 miles southwest of Lethbridge, opens up an extensive new field of high-grade oil and gas right at Lethbridge's back door. The Taber-Conrad field, 35 miles east of Lethbridge, is already a proven producing field.

The $15,000,000 St. Mary-Milk River Irrigation project and extension, now under construction, will add 345,000 acres of irrigated land in the Lethbridge territory to the 250,000 acres now under cultivation and increase the wealth of the Lethbridge trading area by several million dollars.

IN 1947

$102,300,000 new wealth was created in the Lethbridge Railway Division through farming, livestock, sugar beets, canning operations, dairy products, poultry and eggs, seeds and feeds, coal mining and gas and oil production.

Recently announced wheat participation payments on 1945, 1946 and 1947 crops will bring an average of $1,500 per farmer to 10,800 farmers in the Lethbridge railway division — a total of some $18,000,000. Cheques are now in the mails. And it's all spendable money — no deductions.

The farm income for the crop year 1946-47 in the Lethbridge trading area was 163 per cent of the average for all Canada and 126.6 per cent of the average for all Alberta. In the Lethbridge area the average farm income was $4,022.84. (These figures furnished by Sanford Evans Statistical Service.)

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Prairie's Mineral Riches May Rival Wheat As Wealth of Oil, Base Metals, Emerges

To most Prairie farmers, the value of the vast Western Plains lies in the huge quantities of wheat and other crops its rich soil yields.

But to the geologist, a second rich mineral "crop" is anticipated below surface, where soil leaves off and rock formation begins. Because the Prairie provinces are generally overlain with a thick mantle of soil, mineral riches haven't been fully appreciated until a relatively late date; only now is a really scientific investigation of these possibilities being undertaken.

Geological maps show that the Prairie provinces are almost equally divided into areas where base metals and gold deposits may be located, and other areas where oil, coal, salt, etc., can be expected in large quantities.

Shares Pre-Cambrian Shield

Canada's vast pre-Cambrian shield—favorable for the occurrence of base and precious metal deposits—extends westerly from Ontario as far as Lake Winnipeg. After extending practically due north from Lake Winnipeg, it bellys out to the west and northwest, extending right past Lake Athabaska in Northern Saskatchewan to cut across the northeastern part of Alberta in the Slave River area. The prairie portion of this geological structure has produced such notable mineral occurrences as Flin Flon, Sherritt Gordon, Lynn Lake, San Antonio, etc. With new scientific developments, such as the airborne magnetometer, assisting exploration of drift-covered areas, exploration of this very favorable belt will likely be intensified in the next few years.

And the area to the west of the pre-Cambrian shield is proving equally as valuable. A great belt of sedimentary rocks—overlying the pre-Cambrian shield with various thickness—extends right up through the United States, into the Prairie provinces and on through to the Arctic Ocean. It extends as far west as the foothills of the Rockies, and is Canada's great bet for self-sufficiency in oil, as well as greatly expanded production of coal and salt.

For years, the Canadian search for oil was chiefly centred in the relatively narrow band of foothills extending north through western Alberta. But the discovery at Leduc, southwest of Edmonton, of a field rivaling famed Turner Valley in size, has focused attention on the immense area of favorable ground outside of the foothills area. Oil fields are elusive things and fold after fold must be tested methodically to locate geological "traps" for oil.

The record of mineral production in the prairies — copper, zinc, gold, oil, coal, salt, natural gas, etc.—is a long one, and more products are expected to be added in due course as the nickel-copper resources of Lynn Lake are tapped, further discoveries are made, etc.

$112 Millions Last Year

Canada's Prairie provinces last year turned out $112 millions of new mineral wealth, or almost 20% of the total of the entire Dominion. Alberta, with $62.7 millions, was by far the largest producer, followed by Saskatchewan with $32.0 millions and Manitoba with $17.3 millions. Alberta appears more than likely to maintain its leadership in the 1948 mineral production race, due to rapidly expanding production of the Leduc oil field.

Of the province's $62.7 million mineral production in 1947, $21.5 millions represented crude oil and gas. Coal value amounted to $36 millions for 7,956,000 tons. Currently the drilling of wells in the Leduc field is at a rate of over 240 wells per annum. Thus in a year's time, drilling in the Leduc area might expand annual production of oil by 11 million bbls. or in excess of $38 millions a year, bringing Alberta production up to $100 millions or more.

The present proven and semi-proven area of the Leduc field leads to the belief that expansion of production may be expected for two, three or four years—perhaps longer. Geologists of Imperial Oil and others have voiced optimism regarding the possibility of discovery of further similar fields. It is noteworthy that the Fort Norman oil field is in Devonian formation (the same formation in which Leduc's oil occurs). The United States has found tremendous resources of oil in the Devonian, and apparently this formation is to prove productive of oil in Canada right up to the Arctic Ocean as well. Discovery of fields at Lloydminster, Bantry, Pincher Creek, etc., should prove important in the expansion of oil production.

Coal Reserves Great

Alberta has tremendous resources in the way of coal reserves, but these are usually remote from areas where they can be readily utilized. With the growth of the industrial economy in both Canada and the United States, however, emphasis on coal is increasing and growing utilization of immense Alberta coal resources is indicated.

Bulk of the Prairie provinces' present output of base metals comes from the great metallurgical enterprise of Hudson Bay Mining & Smelting Co. at Flin Flon. Because its mine is divided between Saskatchewan and Manitoba, the proportion of ore mined in each province plays an important part in determining the relative production of mineral wealth of Saskatchewan and Manitoba. In recent years, Saskatchewan has forged ahead of Manitoba in an important way, because there has been a greater mining of ore on the Saskatchewan side of the boundary. However, Manitoba with its new Lynn Lake field may become an important challenger in the mineral field. Exploration has been on a much larger scale in Manitoba than in Saskatchewan for some years, and prospects for a more rapid development of mineral deposits are thus seen.

Just as higher prices for oil are playing an important part in stimulating the search for new oil fields, so are higher prices for copper and zinc playing an important part in stimulating expansion of production of these two metals. Prospectors and mine developers have real interest in scouring the Prairie provinces sector of the pre-Cambrian in the effort to isolate deposits of these two vital industrial minerals.

Governments of all three provinces appreciate the importance of growing mineral wealth and have taken steps to encourage research into Mineral prospects. Saskatchewan grubstakes prospectors and flies them into favorable sections of the pre-Cambrian shield. The fact that the pre-Cambrian country generally lies to the north and northeast of our farming areas, suggests that there may be an important northward expansion of the prairie economy in this direction over a period of the next few decades. Discovery of the rich gold fields of Yellowknife (in the pre-Cambrian) and indications of lead, zinc and other deposits in the Great Slave Lake area suggests that further improvement will probably be experienced in Northern Alberta communication routes as well. This will undoubtedly facilitate the further investigation of potential oil sources.

With a world hungry for oil and base metals, the prairies may some day become as noted for its mineral wealth as it is today for its wheat.

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COMPANY REPORTS

POWELL RIVER CO. 1947 net profit was up 74.7%. The annual report discloses new peaks in production, sales and earnings. Nearly $6 millions were spent on plant extensions and improvements. Continued shortages of pulp and paper products throughout the world, and particularly on the west coast of North America where the major portion of the company's output is consumed, created an unprecedented demand for its products.

Newsprint produced amounted to 239,087 tons — up 12,599 tons. Unbleached sulphite pulp output was 43,919 tons, a gain of 10,686 tons; sundry other products totalled 8,074 tons, up 1,071.

Installation of special machinery for utilization of "forest waste" and smallwood has been completed, making it possible to harvest this material along with normal larger timber. Two hydraulic barker units and a whole log chipper came into full production, effecting savings in excess of 10% in pulpwood consumption. Manufacture of equipment for No. 8 paper machine is well advanced and the machine is expected to come into production late this summer. This will be the fastest and most modern paper machine in the newsprint industry, the report states.

A second 18,000 k.v.a. generator installed at Lois River powerhouse has brought total power produced by the company to 95,000 h.p. sufficient for requirements when expansion is completed, it is said.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$12,186,841	$8,087,024
Less:		
Depr. & depl.	1,596,900	1,285,048
Income tax.	4,579,000	3,365,700
Add: Asset sale	1,408	4,102
Net profit	6,012,349	3,440,378
Less: Divs.	3,697,911	2,151,512
Surplus for year	2,314,438	1,288,866
Earnings per Share and Dividend Record:		
Ordinary	$4.47	$2.56
Paid	1.35+1.40	1.60

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$5,945,472	$3,967,179
Accts. rec.	2,779,671	2,255,508
Tax recov.	20,418	2,515,207
Inventories	3,979,964	2,428,635
Total curr. assets	12,725,525	11,186,529
Misc. assets▲	678,560	608,677
Fixed assets	37,606,270	32,892,420
Timber hold., cost*	4,096,981	2,944,409
Total assets	55,107,336	47,632,035
Total curr. liab.	5,457,837	1,831,693
Res. dep. fix. assets	26,289,433	24,754,724
Insurance fund	96,932	96,922
Capital stock	7,396,025	7,396,025
Earned surplus†	15,867,109	13,552,671
†Incl. ref. EPT	84,185	84,185
▲Incl. ref. EPT	103,070	123,488
*After depletion.		
Working capital	7,267,688	9,354,836

Sask. to Map Forest Areas From the Air

From Our Own Correspondent

REGINA—More than two million acres of timber in Northern Saskatchewan will be photographed from the air this summer for forest inventory and map making purposes, Natural Resources Minister J. L. Phelps has announced. The work will start late in June.

"Our objective is to get more information on the vast forest areas in the north," he said, "with a view to balancing the annual cut with the annual growth so that our forest capital will remain undimished."

There are 2.3 million acres, or 3,600 square miles of timber stand in the region to be photographed. The area starts 130 miles northwest of Prince Albert, and extends south of and surrounding Dore and Sled Lakes. Last winter the department photographed and mapped 2,300 square miles, or 1,472,000 acres, in the same area.

Mr. Phelps said mapping of this district will enable the department to formulate plans for removal of merchantable timber, and aid in establishing proper fire protection.

The project is to be a three-way effort of three government branches. Saskatchewan Government Airways will provide the airplanes, with the photography to be made at between eight and 10 thousand feet. The Surveys Branch will look after the photography work, with the Forestry Branch to be in charge of estimating the amounts of timber in the various areas from the photographs taken.

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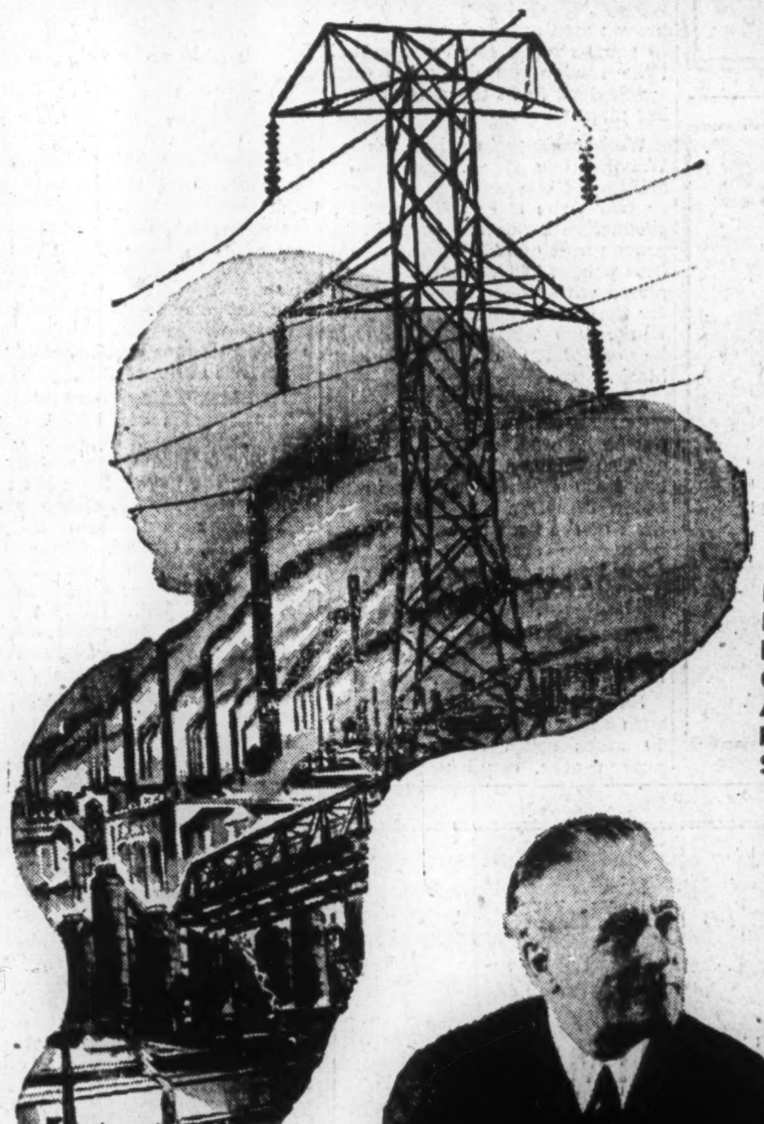

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That is why, today, all eyes in Canada are on the fast-developing oil resources of Alberta, where South Brazeau Petroleums is proud to be playing such an important part with key interests in wells and oil leases at Leduc, Turner Valley, Lloydminster and Wetaskiwin, including a 50 per cent interest in the two big Leduc producers, East Leduc-South Brazeau Nos. 1 and 3.

Watch Alberta's Oil Development This Year as the Search for New Fields Intensifies

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Leduc Field Brings New Wealth to Prairies

Oil Reserves $345 Millions Minimum Total

By GORDON M. GRANT

Canada's oil industry is harnessing great productive potentialities of the great new Leduc-Woodbend oil field at a rate little dreamed of when the first well was brought in Feb. 13, 1947.

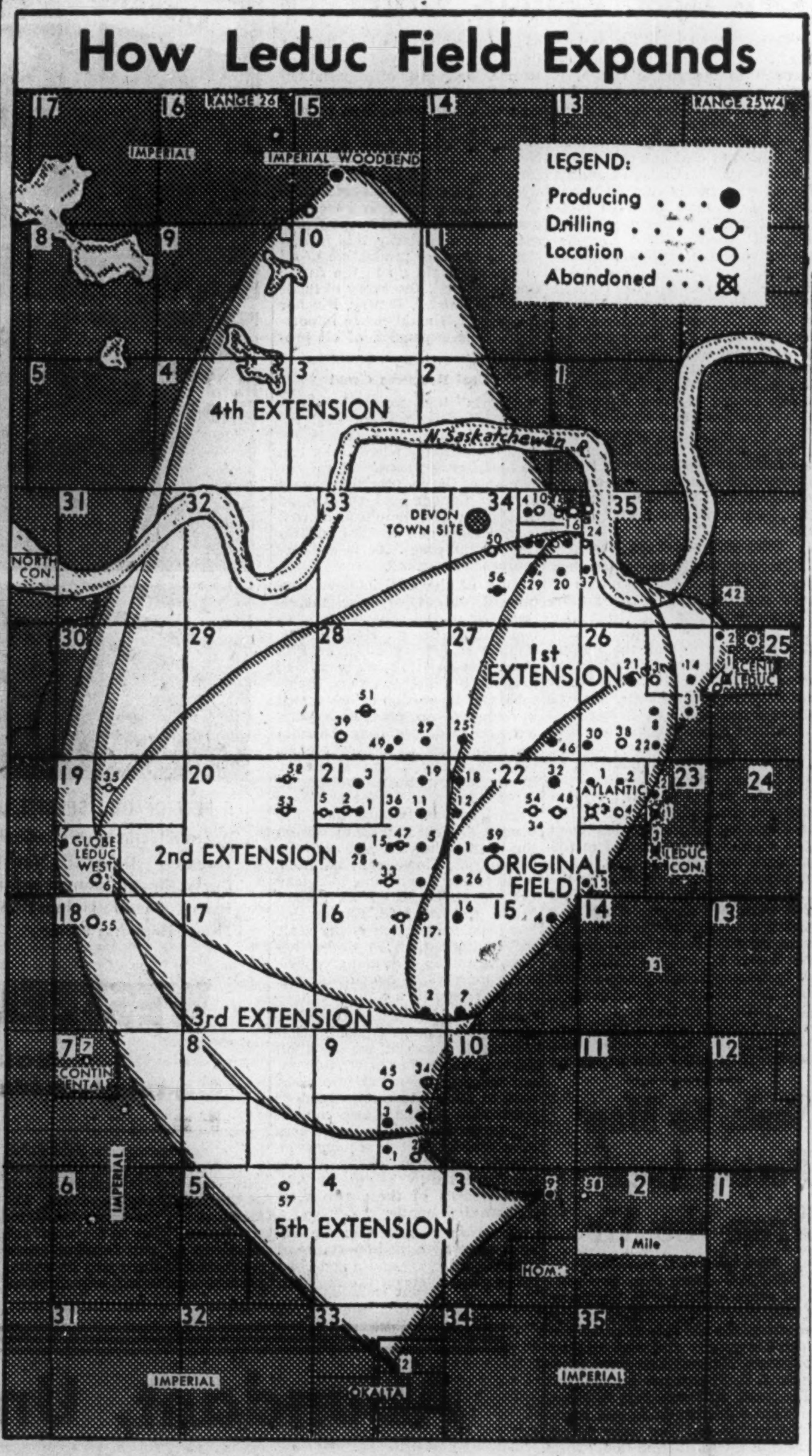
Today the field is producing approximately 6,000 bbls. of crude oil a day. That's $20,700 worth of oil a day—or $7.5 millions a year—taking oil at current price of $3.45 a barrel.

But great as this production is it is only a fleabite on production planned. Imperial Oil has 18 drill rigs completing wells in the proven Leduc-Woodbend field alone. Independent rigs bring the total to some 28. On the basis of six weeks to complete a Leduc well 28 rigs alone mean 241 new oil wells a year. Present conservation practices permit production of 100 bbls. a day from a D2 zone producer, 150 bbls. a day from a D3 zone producer. Assuming an average 125 bbls. a day production, Leduc-Woodbend production a year from now could be in excess of 13 million bbls. of oil per annum. At $3.45 a barrel, that is a dollar output value of $45.4 millions.

Field Has The Oil

Present indications are that the Leduc-Woodbend area by itself has the oil resources to continue drilling at such a pace for much longer than a year without any extension of present boundaries.

Imperial Oil estimates that present oil reserves are a minimum of 100 million bbls. ($345 millions of oil). These reserves are attributed to a proven area of 12,000 acres only — or just under 19 mile-square sections. If the field doesn't provide unexpected "blanks" between Woodbend and Leduc and elsewhere, a proven area quite a bit more than 19 square miles can be inferred. (The reader can draw his own conclusions form the accompanying map.)



Well-spacing in the Leduc-Woodbend sector permits the drilling of one well per 40 acres or two wells if both D2 and D3 productive zones are present. A proven area of 12,000 acres would thus permit 300 wells to be completed without allowing anything for the large number of instances where two wells will doubtless be completed on one 40-acre block.

But the prospects of a major extension of the Leduc field cannot be ignored. Along the southeastern flank, a productive limit has been established; but in no other direction is the definite limit of the field revealed. If the productive area should be extended an average width of only a mile further on each side where not already delimited, productive acreage would be doubled; expected reserves of oil would rise to about $700 millions.

Successful completion of a well such as Imperial Eyot, a wildcat 10 miles south of the present proven area, could possibly result in an extension of reserves far vaster than that suggested above.

Wtih Alberta achieving a "prize" of the character of the Leduc-Woodbend field, it is not surprising to find a huge regional oil exploration program in the Edmonton section of Alberta. Tests can be drilled into the Devonian formation similar to that at Leduc for $100,000 and less, in some instances, and the work is a lot cheaper than foothills testing where individual wells have sometimes cost hundreds of thousands of dollars.

Many Enjoy Benefits

The benefits of Leduc's crude are being enjoyed by many other than Imperial Oil, for which Leduc was the payoff for a $23 millions search for oil. Others sharing Leduc production include Home Oil, Okalta, Globe Oil, Leduc West, Pacific Pete., Central Leduc, Leduc Consolidated, Continental Oil, East Leduc, South Brazeau, Anaconda, etc. As the field expands, still other companies will likely join the "charmed circle" of Leduc producers.

But others, including the Alberta Government and western consumers, are also reaping benefits of a lucrative new oil field. The Alberta Government owns a 12½% royalty on much of Leduc's crude production. Numerous individuals, who owned mineral rights or who are renting surface rights, have been building up comfortable bank accounts. Western Canada consumers of gasoline and other oil products are already enjoying lower prices than would have prevailed had Leduc oil continued to elude the persistent search for black gold.

Big Expansion Progresses

A major expansion of refining capacity and of pipe-line facilities is already being arranged as result of the discovery of Leduc. Full size of this program will only be determined by the size of the Leduc and other fields turned up. But there is already assurance that the over-all program will be a large one.

Enough Oil for Refinery

Before the end of the year the new oil refinery of Imperial Oil at Edmonton is expected to be completed at a cost of about $7.5 millions. This refinery is capable of handling 6,000 to 7,000 bbls. daily. It is thus obvious that current Leduc production is practically right up to the limit of this refinery already.

Later it is planned to install a lubricating plant at Edmonton, probably bringing over-all investment up to the $15 million mark. But lube units can't be bought "over the counter" the way the Canol refinery was purchased; it may be some time before delivery of a unit can be secured.

Building of a pipe line to Regina is proposed and eventually, pipe lines may be extended to Winnipeg and even to Bismarck, North Dakota. An outlet in the United States would assist Canada to repay some of the oil shipped to this country from the United States via Sarnia, Ont. Further pipe lines are expected for delivery of oil to Calgary and elsewhere.

Pete. Money Helps

Decision of Imperial Oil to sell its interest in International Petroleum to its parent Standard Oil of New Jersey for over $80 millions to provide funds for its western oil program effectively demonstrates the major way Imperial is proceeding with the tapping of Leduc's oil. Expenditure of $30 millions on pipe lines outside Alberta is proposed. Expansion of refining facilities in other sections than Edmonton is also expected.

Leduc has provided Imperial Oil with the financial return justifying a very extensive search indeed for still further oil fields in the Devonian underlying the western prairies. Many outlying wildcats have already been drilled unsuccessfully. Among these are Imperial Looma, Morinville, the Imperial Legal wells, Battle Lake, Paddle River, etc. Drilling at Clyde, northeast of Edmonton, next to Westlock Petroleums reservation, is now being undertaken; also drilling at Volmer and Fedorah, north of Edmonton.

The fact that Imperial and other companies haven't been successful in finding another Leduc-Woodbend field in the general Leduc region, however, does not indicate that other such fields aren't going to be found. Oil fields can be easily missed. There are so many favorable locations where oil may lie that the search for oil may have to be maintained for years before the program finally pays off again. Then again success might come tomorrow. But the geologists feel that there is little doubt that other fields will ultimately be found. Even the Leduc field could easily have been missed. If the Imperial Leduc No. 1 well had been drilled in barren ground just a mile to the east, the field might have gone undiscovered for another decade.

Leduc oil has aroused interest not only in Canada but throughout the world. The major way in which United States and Canadian oil companies are undertaking the search for further western oil appears to augur well for Canada's developing further oil resources.

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Prairie Farmer Earned More in '47

Average Return Per Farm Was $409 More Than in 1946 – Debt Reduction, Wheat Board Payments Also Point to Prosperity

Canada's farmers, as a whole, never had a better year than 1947 in terms of cash income but compared with the previous peak year (1944) in their unparalleled run of prosperity, Prairie farmers did not cut themselves as big a portion of the total take.

Sales of all Canadian farm products last year fetched $1,989.7 millions, of which the Prairies' share was $965.5 millions as compared with $1,058.5 millions out of $1,826.5 millions in 1944.

All the same, as a result of last year's operations, the average Prairie farmer was better off than in the previous year, better off than his counterpart anywhere else in Canada.

For, as against an average return per farm for all Canada of $2,820 the Prairie farmer earned $3,580 in 1947, an improvement of $409 on the 1946 figure.

Debt Position Improved

And he was in a very comfortable debt position.

Since 1937, with continually increasing incomes, farm mortgages in the west have been reduced more than 72%. Most additional land since has been purchased for cash so has the great bulk of machinery, cars, trucks, etc.

In fact, probably the great majority of western farmers today are entirely free of debt. For most of the rest, mortgages are substantially reduced, they have money in the bank and invested in Government bonds besides.

And to round off the picture of present prosperity, there's an average of over $1,000 coming to every grain-growing farm in the Prairies in the share-out of final payments coming on wheat crops sold in 1945, 1946 and 1947.

But while 1947 was a year of prosperity, it was also a year of uncertainty and readjustment, occasioned by changes in Dominion Government policy and developments threatening the U. K. food contracts.

In all three provinces there was a decline in the acreage of wheat, an increased acreage of rye and flax, increased barley production and a decline in livestock production. This year the prospects are that there will be a considerable increase in wheat acreage—a prospect invited by the present price structure.

The Industry Looks Ahead

Today it can be said the agricultural industry in the Prairies is in a position of watchful waiting. Most of all it's waiting on a lifting of the Federal Government ban on cattle exports to U. S.

Under the prevailing semi-controlled economy, Hon. E. C. Manning, Premier of Alberta pointed out in his budget speech, it must be recognized that even a minor change in policy on the part of the Dominion Government can seriously disrupt the production program of any province.

Pointing to the uncertainties of last year, Mr. Manning makes the further point that it is evident that Canada thus far has failed to design and implement a long-term program for the stabilization of agriculture.

In all provinces considerable feeling was aroused when the Dominion Government removed controls from feed grains in October last. In Saskatchewan, the announcement was followed by liquidations of hogs, which according to Finance Minister C. M. Fines, reached almost panic proportions.

In Alberta, strenuous efforts had been made in earlier years to step up hog production. As a result of higher grain prices and withdrawal of support from the livestock industry following October's decontrol measure, hog marketings in 1947 fell to 21% below 1946 figures.

Province by province the Prairies agriculture picture looked like this last year (see also accompanying table):

Alberta: Gross value of production was slightly above 1946: $438 millions compared with $420 millions. Field crops accounted for $270 millions of the total. Reduced acreage of wheat, lower yield per acre was overtaken by higher average prices and by increased production of rye and flax. A considerable increase in barley acreage and an increase of approximately 25% in price increased the value of the barley crop by $12 millions.

Gross value of livestock was estimated at $91 millions compared with $89 millions in 1946. All classes of livestock showed a reduction in number marketed with a most serious decline in swine production of 21% compared with 1946.

Decline in number was offset by higher prices to bring total revenue up to $2 millions more than in 1946.

Dairy products showed an increase in value from $37 millions to $46 millions due mainly to higher prices for butterfat. Poultry production at $22.5 millions remained about the same as in 1946.

Sugar beet acreage was lower (with yields per acre lower) producing $92 millions of sugar.

The honey crop was a record. Production valued at $1.4 millions was 50% better than in 1946.

Saskatchewan: Drought markedly affected crop yields in certain areas, and some 50,000 Saskatchewan farmers suffered crop failure to an extent that qualified them for payments under the Prairie Farm Assistance Act to the extent of about $15 millions.

Wheat reached an estimated 173 million bushels valued at $198.9 millions compared with 208 million bushels in 1946 valued at $237.1 millions.

Oat production was down from 100 million bushel in 1946 to 80 million bushels last year. However higher returns brought about a reduction in value of only $4 millions—total for 1947 being $48 millions as compared with $52 millions in 1946.

Barley production was slightly up—from 43 million bushels to 45 million. This production was valued at $37.8 millions as compared with $29.7 millions in 1946.

The rye crop was up 2.8 million bushels on 1946, the 6.8 million bushels harvested being valued at $21.9 millions, more than twice the 1946 figure of $9.1 millions, with prices approximately one dollar a bushel higher.

Flax showed a similar advance: 4.2 million bushels as against 2.6 million in 1946 giving a crop value of $19.8 millions as compared with $7.8 millions in 1946.

In livestock, the June 1947 census appeared to show that Saskatchewan livestock industry was entering a period of expansion but the picture changed rapidly after October and the year ended with livestock production totalling $73.8 millions.

Poultry production was markedly up. Milk production was slightly down, egg production was up.

Total value of agricultural production in Saskatchewan for 1947 was $434.1 millions (the highest of the Prairie provinces) as compared with $399.2 millions in 1946.

During the year Saskatchewan farmers reduced their indebtedness to the Saskatchewan Government's Farm Loan Branch by $763,608 cutting principal outstanding to $2.3 millions and arrears to $888,823.

Of 2,078 loans outstanding at March 31, 1946, 361 loans were paid off in full. At March 31, 1947, 526 other loans were in good standing as to interest and principal and 206 other loans were good as to interest only.

Manitoba: Wheat production was down by 15 million bushels from acreage reduced from 1946 by only 30,000 acres. Yield per acre was down 22%. Cash returns were down $11 millions from 1946 at $58.5 millions.

Oats and barley production were down also but with better prices the cash return remained about the same—$25.4 millions from oats and $31.6 millions from barley.

Rye production, as in Saskatchewan, was up considerably both in yield and cash returns. Fall rye production of 490,000 bushels realized $1.6 millions as against $578,500 the previous year; spring rye brought $363,000 as against $200,500 in 1946.

Production of flax brought nearly three times as much as in 1946: $24.8 millions as against $8.? millions.

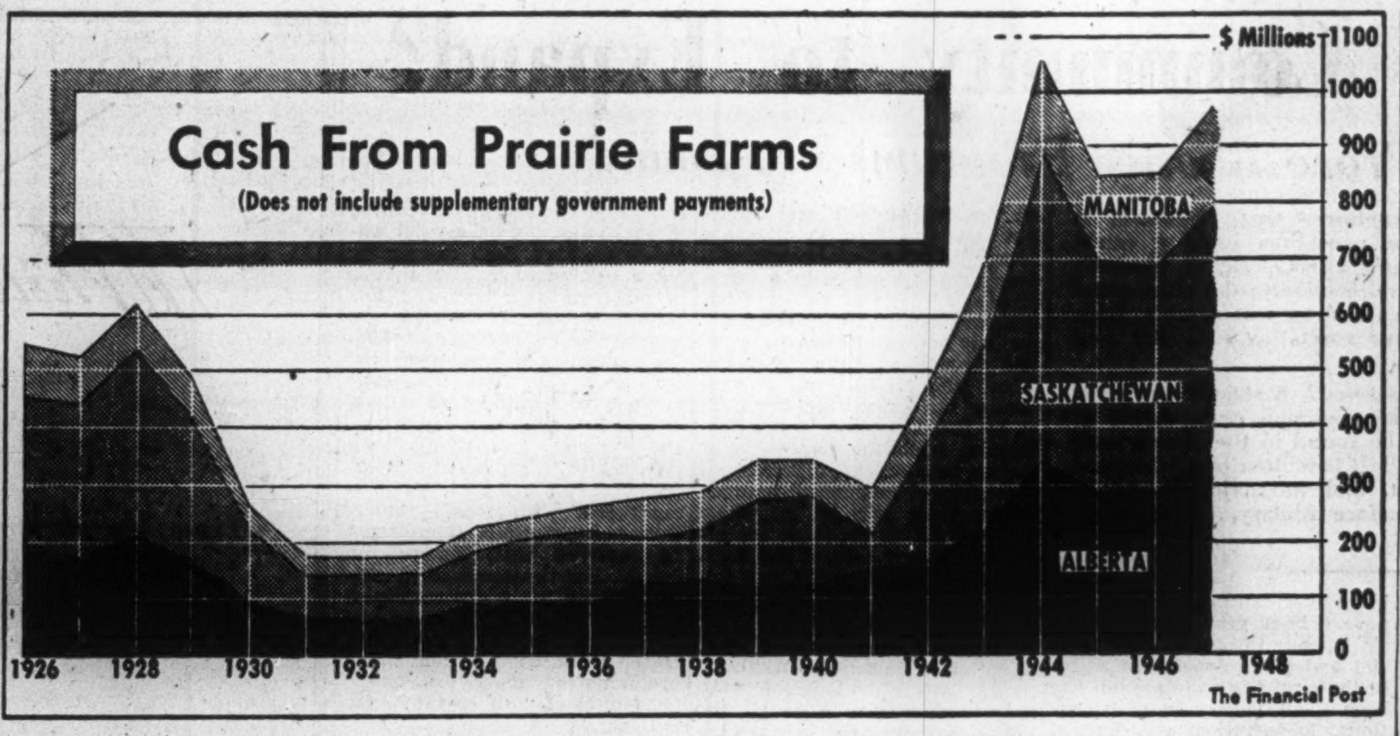
Livestock production as in the other provinces was down, totalling $44.9 millions.

Total agricultural production was valued at $185.9 millions as compared with $170.8 millions in 1946.

In average values per acre of occupied farm land, Manitoba still led the other provinces in 1947 with a figure of $27 as compared with $25 for Alberta and $21 for Saskatchewan. All three figures were up on 1946.

In average cash returns per farm Alberta led the field with $3,877 as against 3,533 for Saskatchewan and $3,415 for Manitoba.

In income taxes Prairie farmers paid by far a greater proportion than the other areas. A total of 274,130 Prairie farmers filed 43,840 tax returns and paid out $5.6 millions as against $1.2 millions paid by 295,620 farmers in the Central provinces and $82,500 paid by 57,927 Maritimes farmers.



COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted

AUTO ELECTRIC SERVICE CO. 1947 net profit was up slightly at $168,387 ($161,059). Sales were at about the same level as in 1946. A nonrecurring inventory profit of $28,000 is included in the 1947 figures. Operating cost, and to a lesser degree, costs of certain materials increased during the year, but such increases were largely offset by the reduction in taxes.

In view of sustained demand for company products and some restriction upon imports from the United States indicated for 1948, a fairly substantial inventory in fast-moving volume materials, in the opinion of the management is well justified. Normally about 30% of the products sold and serviced are imported from the U. S.

Business of the subsidiary, Canadian Aviation Products, was comparatively inactive in 1947. Facilities are being maintained in readiness for increased aircraft equipment service, as and when the demand warrants.

Management is of the opinion that 1948 will be another year of comparatively good profits and continued progress.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$348,643	$386,096
Less: Deprec.	10,231	9,360
Prov. for taxes	165,261	215,677
Life ins. prems.	6,885	......
Capital exp.	5,300	......
Add: Asset sale	7,421	......
Net profit	168,387	161,059
Less: Cl. A divds.	11,250	......
Com. divds.	15,000	......
Surplus for year	142,137	161,059
Earnings per Share* and Dividend Record:		
Class A	$5.61	$5.37
Paid	0.37½	......
Common	1.53	1.46
Paid	0.15	......

*Based on present outstanding capitalization, deducting full year Cl. A divd. before com. earnings.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$17,292	$121,960
Accts. rec.	280,858	244,047
Inventories	727,861	610,870
Total curr. assets	1,026,011	976,877
Misc. assets‡	105,605	95,096
Fixed assets*	126,598	115,695
Total assets	1,258,214	1,187,668
Bank loans	237,112	248,695
Accts., tax, etc., pay.	293,835	360,367
Total curr. liabs.	530,947	609,062
Mortgage pay.	4,221	8,433
Conting. res.	50,000	......
Capital stock	22,000	22,000
Earned surplus‡	†651,046	548,173
*After depr. of	75,853	74,354
‡Incl. ref. EPT	82,225	85,432
†After transfer of $50,000 to Conting. Reserve.		
Working capital	495,064	367,815

The Paper the Farmers READ!

The SASKATCHEWAN FARMER

1st. and 3rd. THURSDAYS

REGINA—SASK.

Eastern Advertising Office — 1206 Canada Permanent Bldg., Toronto
OR CONSULT YOUR ADVERTISING AGENCY.

Saskatchewan's fastest-growing city

Here's the record of expansion in the last two years:

29 new manufacturing concerns
3,000 additional population
11 new wholesale establishments
and
250 new retailing and service businesses
20 new, large commercial buildings.

Executives will find in Saskatoon the most satisfactory solution to the question of where to establish in Western Canada. Full co-operation is offered by the Saskatoon Board of Trade in securing detailed analysis along specific lines and needs.

SASKATOON BOARD OF TRADE
Commissioner S. N. MacEACHERN

SASKATCHEWAN'S RECORD OF ACCOMPLISHMENT

• Canada's premier wheat-producing province is now advancing toward greater economic stability.

Here Are the Facts:

Finances

- Public debt reduced $68,508,646, or 32 per cent, from the end of the 1944 fiscal year to December 31, 1947.
- Bank balance at February 1, 1948, at $10,000,000, up from the $8,000,000 balance in mid-1944.
- Per capita debt charge down from $8.91 in 1944 to $6.88 in 1947.
- Despite unsettled markets, entire issue of some $5,000,000, due April 15 next, was refunded at average rate of 3.79 per cent.
- Average interest rate at new low of 4.29 per cent, compared with 4.53 in 1944.
- Reduction in municipal debt, $68.4 millions at the end of 1939 and $17.7 millions at end of 1947, equals 74 per cent, greater than that experienced by any other province.

Government Enterprises

- Net return on invested capital of government enterprises, for the fiscal year ended March 31, 1947, was 10.6 per cent, and 11.5 per cent for nine months ended December 31, 1947.
- Goods produced and services rendered totalled $12½ millions for fiscal year ended March 31, 1947, and more than $13 millions for nine-month period ended December 31, 1947.
- Revenue from profits of enterprises estimated at $600,000 for 1948-49 fiscal year.
- Enterprises employ 2,500 persons, paid out $3¼ millions in wages and salaries for fiscal year ended March 31, 1947.

Production

- Total value, major field crops $327,341,000 for 1947, compared with $335,637,000 in 1946.
- Total value of mineral production $32,339,000 in 1947, compared with $25,812,723 in 1946 and $1,075,000 in 1925.
- Gross value of manufactures for 1947 estimated at $189,000,000.

GOVERNMENT OF SASKATCHEWAN

The Treasury Department

HON. C. M. FINES, *Provincial Treasurer*
T. LAX, *Deputy Provincial Treasurer*

THERE'S WEALTH IN *Saskatchewan*

FARMERS REAPED $443,942,000

FROM '47 PRODUCTS -- (With More to Come*)

1946 FARMERS' CASH INCOME $411,643,000

1947 Farmers' Cash Income $443,942,000

* This amount does not include $103,800,000 which Agriculture Officials estimate that Saskatchewan Farmers will receive for last year's crop due to increase in price of wheat from $1.35 to $1.55 per bushel.

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SASKATCHEWAN'S 2 DOMINANT DAILIES

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Buyers of Waterous machinery know our trade-mark as a promise of soundly engineered, carefully made, and properly tested equipment, that is built for efficient, reliable service. They have specified and approved Waterous products for over 100 years, secure in the knowledge that their choice will always be justified by the service that will be rendered.

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SAWMILL MACHINERY
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ROAD MACHINERY
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. . . SUPPLIES THE MACHINERY

B. C. Representative:
B. C. CONVEYING MACHINERY LTD.,
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Why Help Your Community to Expand?

Dollars and Cents Prove Booster Programs are Sound

In showing how the profit motive has been harnessed to the task of regional economic development and of providing employment, Mr. Richardson examines six specific programs for community growth. All are in the United States, but the points he makes may apply to the projects cited above, as well as to hundreds of similar efforts throughout the continent.

The author provides us with a model. It is a "typical" small city of 50,000 surrounded by a rural and village population of 25,000. Here is a digest of what he has to say about it:

An electric company announces that "business is moving to B.C."; Edmonton proclaims itself a world transportation hub; mid-prairie cities seek to diversify their predominantly agricultural economy; the older cities of the Great Lakes-St. Lawrence area will eagerly fetch data relating to their various assets as sites for new industries.

How can such efforts be assessed? A strictly analytical method — divorced from the gladhand enthusiasms of community boosters — is to be found in the March issue of "Harvard Business Review." It is written by Richardson Wood, a business consultant, and its major theme is: ". . . boosting, for all its surface fantasy, has a sound economic base."

BY RICHARDSON WOOD

We shall assume that the principal occupation in the city is manufacturing and that the principal occupation in the surrounding territory is the raising of food. It should be noted that both of these, as expressed in their final products, are largely "export" industries. All the other gainful occupations in the city are "import" or "service" businesses or a combination of both.

Import and Service Businesses

The merchants, lawyers, doctors, bankers, journalists, real estate men, building contractors, utility operators, transport companies, laundries, and so on derive most if not all of their income from importing goods to sell to the exporters and those living on the exporters' payrolls or from rendering services to them. Obviously, then, the import and service occupations, whose market is limited to the community, can prosper only as the exporters prosper. People in such occupations naturally hope for an increase in local export payrolls and so become boosters.

How much money can they afford for boosting? To arrive at an estimate let us suppose that in one way or another 100 man-years of factory employment can be added to the employment opportunities already existing in our model city. Let us also suppose that these new jobs are a net addition to employment in the city and do not take people away from other jobs or increase the prevailing wage level. What, then, is the value of the new man-years of employment and to whom does the value accrue?

Let us assume that the average manyear of factory employment in our city brings the worker a net take-home of $2,500. To simplify the problem, let us disregard federal taxes and old age benefits, the employer's profits (if any), and any local purchases of materials supplies, services, or energy in connection with the operation of the factory giving the employment. In other words, let us concentrate on what is nearly always the major item: the payroll. Again, what is it worth?

Most of the pay is spent in the community where it is earned. A minor part of it may leave through mail order purchases or be spent on trips out of town. But a very large part of it, perhaps 90%, passes through the commercial and professional mechanism of the city. After the payroll has been spent, some part of it continues to be turned over locally. Perhaps 50% turns a second time within the city, 30% a third time, and so on in diminishing percentages on successive turnovers. For the sake of argument, let us assume that the local turnover is equivalent to twice the original payroll. Thus we have added 100 manyears of factory employment generating a local gross business of $500,000.

The merchants and other service institutions in the city can handle this additional business at no more than incremental costs. That is to say, they will not have to build extensions or hire more help to accommodate the new business. At incremental costs the profit on this gross business should be well in excess of 10%. Even if allowance is made for future expansion of facilities brought nearer by the added payroll — i.e., discounted incremental capital costs — the average profit will probably not fall greatly below 10%. Again for the sake of argument, let us take 10% as the profit. Thus we arrive at $50,000 local profit on 100 man-years of factory employment.

Who makes this profit? The largest portion goes immediately to the merchants, the service trades, the realty owners, and the transport and power utilities. Through them some profit filters through to the newspapers and banks. These latter usually need more than 100 man-years of employment added to the community to show any direct profit. A newspaper, for instance, must show a substantial increase in circulation before it can justify an increase in its advertising rates. But generally speaking all local businesses, whose market is primarily the community, show either a direct or indirect profit on any addition to local factory employment, and all of them show a direct profit on a sufficiently large and sustained increase.

Export Businesses

But what of the exporters themselves? They have an important stake in the community, to be sure, but their motives differ quite sharply from those of the import and service industries.

As a matter of fact, local manufacturers and farmers who are doing well often look on economic development work with a jaundiced eye. They seek no help from it themselves, and they can foresee only harm to their own interests through a tightening of the labor supply. They will share none of the direct benefits enjoyed by the community service industries, while the broadening of the tax base and the ultimate improvement of community facilities strikes them as a bit too wispy and far off to serve as an incentive. In any case, if any local improvements are made, they figure they will have to pay a pretty good part of the bills.

They will grant, however, that anything of benefit to the community will in the long run probably benefit them. After all, the only people they can hire are the people who are in the community, so the welfare of those people is conceded to be a proper subject for enlightened self-interest. But there is also another advantage, not usually realized, which becomes more apparent when we examine the dynamics of the community's labor supply.

The character and quantity of a community's labor supply usually shift very slowly. But if the shifts are all in one direction, a substantial alteration can take place in a few years time. A common alteration in a relatively stagnant community arises from the loss of young people who have completed their education and gone to work elsewhere and from loss of older people who have developed special skills that are in greater demand elsewhere. Thus a dogged maintenance of the status quo can lead to a lighter labor market and a poorer production effort, the very ills which frighten local manufacturers and make them hesitate to support economic development.

On the other hand, an economic development program seldom sops up the entire existing labor supply in a single effort. It operates piecemeal, and its operations naturally are the object of liveliest community interest. As it succeeds, it builds morale and expectations. The more ambitious youths and the skilled adults do not drift away so readily; other things being equal, a job at home is better than a job in a strange place. Skilled and ambitious people are attracted from other places, for no news gets around faster than news of new jobs.

Such reflections make a community booster even of a manufacturer or farmer, although the calculus is not so straightforward as in the case of merchants and service industries. More faith and more insight are needed to make it result in a plus sign.

Selection of Objectives

Taking local new businesses along with other employment opportunities, we can now list in significant order the sources from which a community can derive more export payrolls: (1) idle facilities in businesses long established locally (2) expansion of capacity to make products long produced locally (3) branch plants of businesses long established elsewhere (4) newly organized businesses or new product divisions. The order reflects a diminishing concern with the economic cycle and an increasing emphasis on technological improvements and discovery of markets.

It would be natural to expect that with the adding of technical and management skills to the arsenal of boosting there would be an effort to sharpen objectives through the use of careful advance planning. Each community has a pattern of its own that is in some ways unique; and this pattern, through skilful diagnosis, may be fitted advantageously into the pattern of demand from the outside world. Such diagnostic practice is beginning to be accepted. It is obviously important, and obviously also it calls for a high degree of judgment and experience. But to be successful it must deal with general objectives and potentials. It must not be confused with research on details. For the range of specific possibilities for a community is now so wide and the variety of demand so great that actual research work, after certain broad preliminaries, must usually go hand-in-hand with operating experience.

Organizing for Development

I believe (the following) common features will be found in nearly all economic development work. These common features, listed in what I believe to be descending order of importance, are: (1) a continuous and resourceful personal contact with the potential givers of employment (2) expert help on specific problems (3) economic data (4) promotion (5) capital funds.

The operating problems of development work are fundamentally no different from those of regular business, for development work is simply the community in business. The community is usually limited to being a promoter and middleman, and sometimes a banker and builder, but it is nevertheless very much in business. It differs chiefly in the character of its final accounting. Its profit is not shown on the books of its development organization except as a calculation of the individual profits received by its members.

This calculation naturally cannot be performed with the same down-to-the-last-cent accuracy that a corporation requires. But it can be performed, and . . . the payoff is so large that there is little reason to quibble over the precise amount. The actual dollar profits are in the hands of individuals who can account for them well enough. The individuals who put up the funds for community development work need only to know that these profits are an adequate return for their expenditures.

COMPANY REPORTS

LEWIS BROS.: 1947 net profit was up 23.9%. Sales were up 21%. To increase the scope of company's activities, Lewis Bros. Hardware Ltd., an Ontario company, was incorporated October 2, 1947, with head office at Toronto. It is a wholly owned subsidiary and conducts a similar business. Capital expenditure for land, building, equipment, etc., amounting to $278,984 was incurred ($150,000 of which was raised by first mortgage of the new company's property) to provide adequate facilities for the new business. Its operations started in January, 1948, and sales volume for first two months is very encouraging, it is stated.

The enlarged organization should increase the volume of the company's operations and provide even better service to the industrial and hardware trade, it is stated.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Gross profit	unstated	$998,507
Net earnings	$467,775	424,047
Less: Depr.	21,611	21,199
Int. & disc. (net)	28,875	21,636
Income tax	194,306	201,279
Net profit	222,983	179,933
Less: Com. divds.	150,100	112,575
Surplus for year	72,883	67,358
Earnings per Share and Dividend Record:		
Common: Earned	$1.49	$1.20
Paid	1.00	0.60+0.15

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$62,829	$149,346
Mkt. bonds†	98,000	295,009
Accts. rec., less res.	729,091	478,419
Inventories	1,278,179	754,995
Total curr. assets	2,168,099	1,677,769
Misc. assets▲	87,985	95,760
Constr. in prog.	......	54,744
Fixed assets*	777,250	426,631
Total assets	3,033,334	2,254,904
Bank loan	215,000	......
Other curr. liabs.	1,113,290	772,743
Total curr. liabs.	1,328,290	772,743
Funded debt	150,000	......
Capital stock	450,300	450,300
Capital surplus	......	6,000
Earned surplus▲	1,104,744	1,025,861
†Mkt. value	95,000	292,749
*After depr. of	201,762	184,602
▲Incl. ref. EPT	45,077	45,077
Working capital	839,809	905,026

UNITED SECURITIES operations for the year ended March 31, 1948, resulted in a deficit of $32,321, against a deficit of $30,858 for the previous year. Market value of investments at fiscal year end was $2,841,444 (($3,122,078).

INCOME AND SURPLUS ACCOUNT

Years Ended Mar. 31:	1948	1947
Total revenue	$71,230	$71,861
Less Expenses	2,924	1,944
Bond interest	100,545	100,545
Exchange	82	220
Deficit for year	32,321	30,858
Times Bond Interest (& Exch.) Earn.	0.68	0.69
Earnings per Share and Dividend Record:		
Common: Earned	d$0.63	d$0.60
None paid.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1948	1947
Cash	$51,592	$43,497
Investments†	8,284,188	8,339,961
Miscel.	17,717	17,587
Deficit	167,555	120,023
Total assets	8,521,052	8,521,068
Funded debt	3,351,500	3,351,500
Other liabs.	43,379	43,395
Capital stock	5,126,173	5,126,173
†Market value	2,841,444	3,122,078

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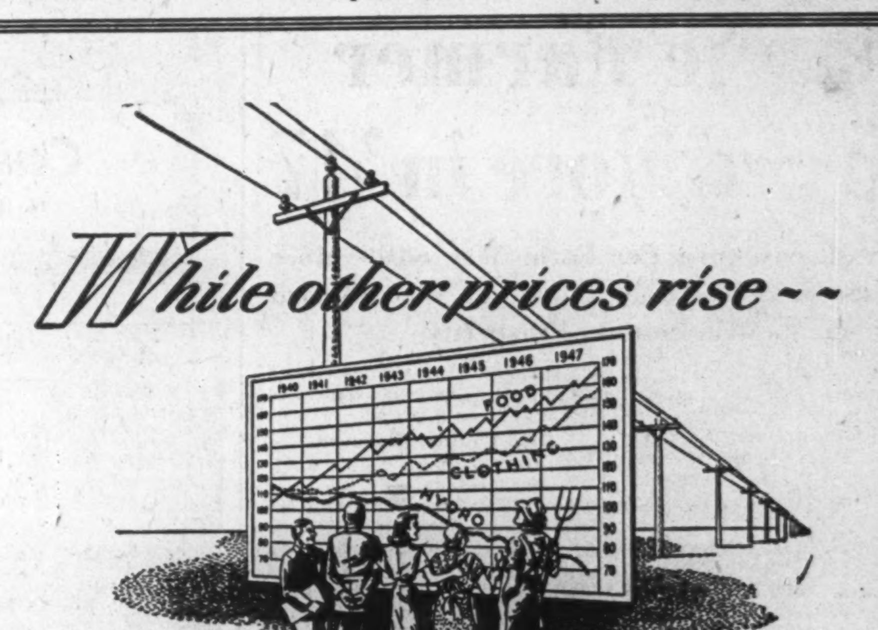

POWER IN MANITOBA COSTS LESS
While the prices of most commodities have risen by leaps and bounds since the war, the Manitoba Power Commission has reduced the rates of electric service for every class of consumer. In the home, office, factory, store, on the farm — everywhere, hydro now costs less than ever before.
At the same time the provincial utility is proceeding with a rural electrification programme which will ultimately bring power to Manitoba's 53,000 farms and every community within the practical service area.
This year the Commission's expansion programme involves the expenditure of $6,500,000 and includes the construction of almost 4,000 miles of power line to serve 5,000 farms.
THE MANITOBA POWER COMMISSION
Serving 250 cities, towns, villages and hamlets

Oldest Established Maltsters in Western Canada
SERVING THE BREWING, DISTILLING AND FOOD INDUSTRIES SINCE 1907
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Your future is our business Today
At the end of March, 1948, the Great-West Life had $1,252,000,000 of insurance and annuities in force on the lives of more than 360,000 policyholders — an increase of $45 millions since December 31, 1947.
This is factual evidence of the growing responsibility of the Great-West Life — and of public confidence in the Company.
THE GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE — WINNIPEG
LIFE ACCIDENT & HEALTH GROUP

What's Ahead for Prairie Industry?

Capital Investment Plan Calls for $18 Millions

Manufacturing definitely is "growing up" on Canada's wide western plain.

No longer when considering the Prairie region will Canadians think only of grain, cattle, rodeos. They will think now, too, of electric batteries and industrial adhesives, road asphalt and paper boxes, clothing and shoes. They will begin to imagine "the impossible" — industrial self-sufficiency in the West.

The West itself shrugs. Industrial self-sufficiency is a long way off. "But we can dream, can't we?"

Dreaming or not, the West meanwhile is driving toward that very goal.

Twenty years ago, its manufactured products had a gross annual value of $353 millions. Today the figure is well over $750 millions, up 89%.

In the nation as a whole, gross annual value of manufactures has roughly doubled in the same period. But a virtual 90% gain on the Prairies is only a quibbler's bit off the national average and the surprising thing is that Canada's nonindustrial wheat country now can boast manufacturing expansion keyed to the pace of factory growth in the industrial East.

Here, buried in dull figures is graphic evidence behind the boast:

PRAIRIES FERTILE FOR FACTORIES
(source: DBS)

	Establishments	Workers	Payroll (Millions of dollars)	Materials used (Millions of dollars)	Gross value of prodn. (Millions of dollars)
1929	2,601	48,113	61.0	203.8	352.9
1939	2,785	43,097	50.7	174.3	282.4
1945	3,385	71,470	109.5	508.6	755.8

Those are milestones passed. And they look good to Prairians; will impress many an Easterner. But both will ask: "What about growth now? What's the region going to do with its new industrial energy and how will it consolidate its 20-year rise in manufacturing enterprise?

One answer is to be found in the expansion plans of prairie industry. True, these plans are conditional on cost and availability of materials and labor, and on government controls arising from (a) Canada's shortage of U. S. dollars; (b) European aid; and (c) North American rearmament. But with all these "ifs" given proper weight, the boldness of western planning for expansion is impressive.

According to Reconstruction & Supply Dept's "Outlook 1948, Private and Public Investment in Canada," based on an official survey last November, manufacturing industries of the Prairie provinces are due for an $18 million shot in the arm. That's the total put a few months ago on immediate capital expansion plans of individual prairie industries in Manitoba, Saskatchewan and Alberta. With anticipated repair and maintenance spending, total investment in prairie manufacturing industries is targeted at $34 millions.

And of the Dominion target of $963 million capital investment for the manufacturing industries, the forecast shows 6.4% scheduled for the Prairies, compared with 4.5% a year ago and 3.9% the year before that. Industrial ambitions of the West are growing.

Here is the picture drawn by prairie manufacturers themselves of capital spending realized in 1947 (preliminary estimate) and forecast for 1948:

	Millions of dollars '47	'48
Veg. prods.	6.43	4.5
Anim. prods.	3.84	3.1
Textiles	0.59	0.4
Wood, paper prods.	3.23	2.9
Iron, its prods.	1.87	2.4
Nonferrous met. prods.	0.08	0.3
Nonmetallic Min. prods.	1.60	1.9
Chem., allied prods.	0.31	0.9
Misc.	0.32	0.1
TOTALS	18.27	16.5

Worth noting here, and portrayed in the foregoing table is that manufacturers in three fields—nonferrous metal, nonmetallic, mineral and iron products—aim to step up the pace of recent expansion.

Although the Prairies in gross value of manufactures represent only 9% of the Dominion total, they show a stronger positon in their "specialty" products—slaughtering and meat packing, flour and feed mills, butter and cheese, petroleum products, miscellaneous foods, beer, lumber and timber.

But it is not in its "specialties" that the Canadian West is placing confidence for new greatness in the New Canada. For the first time it has a stack of red chips down on manufacturing.

Farm Loans $54 Millions Losses Less Than $17,000

From Our Own Correspondent

REGINA—Loans approved to farmers by the Canadian Farm Loan Board to March 31, 1948, amounted to over $10 millions, T. F. Donnelly, Ottawa, chairman and commissioner of the board, anounced here. The board began operations in the province in 1935. Losses to date totaled only about $4,000.

Since 1931, the board has loaned about $54 millions to farmers across Canada and losses have been less than $17,000, Mr. Donnelly said. Total number of loans granted to March 31, 1948, was 4,800 and there have been only four foreclosures.

In Manitoba the board disbursed $8,050,580 between 1931 and 1948 and sustained a loss of $9,975. Loans totaling $8,015,206 were made in Alberta; losses were $3,467.

Applications in the year ending March 31, 1946, totaled 350 across Canada. The figure for 1946-47 was 550 and for 1947-48 was 850.

Loans approved during the last three years totaled $400,000 for the year ending March 31, 1946; $900,000 for the same period ending March 31, 1947, and $1,200,000 for the period ending March 31, 1948.

The interest rate, fixed by the board, is 4½% on first mortgages, 5% on arrears and second mortgages.

The Western Savings & Loan Association

WSA

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Winnipeg, Canada

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Edmonton, Alta.

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407 Avenue Building,
Saskatoon, Sask.

1 Royal Bank Building,
Brandon, Man.

Sask. Farmers Had '47 Income Of $443,942,000

From Our Own Correspondent

REGINA—Saskatchewan farmers realized $443,942,000 from sale of farm products and from federal PFA bonuses in 1947, against $411,643,000 in 1946, and a record $555,248,000 in 1944.

Field crops netted $318,510,000 ($268,599,000 in 1946), of which $182,076,000 came from wheat, $45,403,000 from wheat participation certificates, $73,904,000 from coarse grains, $17,127,000 from flax.

Livestock products yielded $105,283,000 ($121,671,000 in 1946): $46,384,000 from sale of cattle and calves; $1,167,000 from sheep and lambs; $1,872,000 from horses; $19,226,000 from hogs; $22,782,000 from dairy products; $5,153,000 from poultry and $8,699,000 from eggs. Miscellaneous products accounted for $10,311,000.

Supplementary PFA payments received by farmers, totalled $9,838,000, down from $12,461,000 in 1946.

Keep Our Gas For Alberta Says Milner

The Alberta Government must soon decide on a long-term policy for its natural gas reserves. Demand has increased sharply, both from within and outside the province. Two newly formed pipe-line companies plan to pipe the gas—one to Vancouver, via Seattle, Wash., the other as far east as Winnipeg—if Alberta gas authorities give the go-ahead signal.

At the same time, several of the larger gas companies in the province have been unable to keep up with local demand for their product, chiefly because of lack of pipe line. One of the big factors the authorities must keep in mind in mapping out the future market for gas is possibility of establishment of a natural gas-to-gasoline industry. Such a project would use immense quantities of natural gas and form the foundation for an industrial chemistry industry as well.

In discussing the possible export of natural gas to the Pacific states, H. R. Milner, president of Northwestern Utilities, Edmonton, states in that company's annual report: "That scheme would involve the withdrawal of gas from the Viking-Kinsella as well as other fields in the province. Edmonton is entirely dependent on Viking-Kinsella. Last year this company withdrew nearly 11 million m.c.f., or over four times as much as in 1934. This year our estimate is that output will be about 13 million m.c.f. . . . It is estimated that the content of the field is today about one billion m.c.f. Only a portion of this, however, is recoverable gas.

"Assuming an annual average withdrawal of 20 million m.c.f., the field is only good for 35 years . . . The future of Edmonton may well depend on an assured supply of cheap natural gas. It is not only of great convenience to the domestic consumers, but it greatly increases the amenities of life during our cold and long winter months. From the point of view of the community as a whole, it may well be the attraction which will lead to the establishment of industries generally and particularly those which can use gas for synthetic purposes. With so much at stake, every effort should be made to conserve for Central Alberta, our presently abundant reserves of natural gas."

Alberta Alone Producing More Creamery Butter

From Our Own Correspondent

EDMONTON—Alberta is the only province in Canada to show an increase in creamery butter production in the first quarter of 1948, Dairy Commissioner D. H. McCallum, reports.

March production was 337,000 lb., an increase of 9% over the same 1947 month, against a nation-wide drop of 7%. For the quarter, the province showed an increase of 7.7%.

Factory cheese production was down 5% for March to 208,000 lb.; and the quarterly production of 535,000 lb. was down from 560,000 in the first quarter last year. Alberta's 5% decline last month compared favorably with the Dominion's 26.2%, stated Mr. McCallum.

A late spring has created a livestock feed shortage, and this will affect milk production until spring pasture is available.

CANADIAN INSURANCE SHARES 1947 net profit was $93,634. Income was $93,888; expenses $231, and provision for taxes, $23. Loss on securities sold during the year amounted to $3,694. Earned surplus account at year end was $602,115. Company received dividends amounting to $88,702.50 from two subsidiary companies—$47,360 from Canadian General Insurance Co. and $41,342.50 from Toronto General Insurance. Both companies reported underwriting profits amounting to $229,696 ($166,751 in 1946).

Manitoba Debt Reduced By $37,770,099

From Our Own Correspondent

WINNIPEG — Manitoba's gross public debt was reduced by $16,117,318 in the fiscal year which ended March 31, 1948. At that date the outstanding debt was $92,401,263, a reduction of $37,770,099 from the peak total reached in 1940.

The actual amount applied on debt retirement, April 1, 1947 to March 31, 1948, was $19,020,318 sources from which the money was obtained being:

Revenue surplus 1942-43	$ 516,000
Revenue surplus 1943-44	205
Revenue surplus 1945-46	1,646,569
Appropriations from current revenues applied to debt redemption	960,424
Appropriations from four series of sinking funds	1,925,690
Manitoba Farm Loans Association	2,796,642
Manitoba Power Commission	1,025,073
Rural Credit Societies	9,000
Housing scheme	171,774
Telephone System surplus earnings	4,526,460
Premium from sale of debentures	2,805
Direct relief treasury bills given for borrowing from the Dominion for relief purposes and written off by the Dominion	5,439,676
Total	$19,020,318

This total was offset by increases of $2,901,000 in the debt to raise money for various purposes, largest items of which were $1,266,000 for the Manitoba Power Commission and $500,000 for provincial trunk highways. This left the net debt reduction $16,119,318. Interest charges on the public debt are now $2,750,000 less a year than when they were at their peak.

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To Reorganize St. Vital Debt

A plan to permanently adjust the debenture indebtedness of the rural municipality of St. Vital, Man. (a suburb of Winnipeg), is announced by the Winnipeg Suburban Municipal Bondholders' Committee. St. Vital has been in financial difficulties for years and has been operating under a series of temporary refunding plans.

The new plan provides for settling the two semi-annual interest coupons in arrears (Nos. 43 and 44 which matured July 1, 1947 and July 1, 1948) by a cash payment equal to interest at the rate of 3% per annum and to exchange the present consolidation debentures for new 3% debentures of the same face value, dated Jan. 1, 1948, bearing interest payable annually on Dec. 31 in each year and maturing on Dec. 31, 1967. The municipality is to be required to provide $60,000 a year to pay interest and provide for the retirement of principal.

Under Manitoba procedure, the plan can only be made effective when it has been aproved by holders of 51% of the outstanding debentures. Accordingly, the Committee urges all debenture holders to contact the secretary at 302 Bay St., Toronto, to obtain full details and the forms necessary to file consent.

Payment of interest coupons number 43 and 44, representing arrears of interest, will be made immediately notwithstanding the terms of the draft order, J. E. Fortin, secretary of the Committee, states. Holders may present them to their own bankers for collection.

LOUVICOURT GOLDFIELD CORP. has received payment for 50,000 shares at $1.30 a share, part of April 17 underwriting of $200,000 under agreement with Federal Trading & Agency Co. Issued capital is 3,438,889 shares.

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Canning Crops Aid Alberta

Mechanization and Irrigation Help Bring Cash Income

LETHBRIDGE — One of the important phases of the development of secondary industries in southern Alberta has been the vegetable canning industry in the irrigated areas around Lethbridge and at Brooks in the Eastern Irrigation block.

From a humble beginning the canning business has reached a point where it represents several million dollars to the district annually, drawing its products from approximately 10,000 acres.

The canning industry is a "natural" for this section of the West. It fits perfectly into the agricultural economy providing profitable special crops on the high-priced irrigated lands, builds up the soil and correlates with livestock feeding. Like sugar beets, canning crops provide the farmer with a cash crop as the vegetables are raised under contract. This applies also to the pickling vegetables grown for the Dyson Co. of Winnipeg in the Taber-Barnwell district where a partial processing plant has been established.

Much of the canning industry's history in Alberta revolves around a former Californian, Robert "Bob" Broder. At the turn of the century he established a factory in Sydney, B.C., later "branched out" including building a plant at Edmonton, thus pioneering the canning business in Alberta. In 1934, after a good try in the northern part of the province, Broder moved the plant to Taber, centre of a thriving irrigated district, 35 miles east of Lethbridge, on the Crow's Nest Line of the CPR. This is an area of light soil, long frost-free seasons, abundance of sunshine and ample irrigation. The district is well settled with relatively small farm units operated by experienced mixed farmers.

The Taber cannery weathered its way until the outbreak of the war when the demand for food skyrocketed. Armies at home and abroad had to be fed, also the population on the home front. The Broder factory at Taber soon proved inadequate to handle orders and a second plant was built at Lethbridge. Later during the war a vegetable dehydration plant, the output of which was moved largely on consignment to the British Food Ministry.

The Lethbridge cannery was a success from the start. The twin Broder plants handled field-fresh peas, corn, carrots and pumpkin. 'Bob" Broder challenged the farmers with this slogan: "You grow 'em, we'll can 'em."

Eight thousand acres have served the Broder plants, some 300 farmers having contracts. The company also operates a farm to augument supplies. The two plants employ 300 persons during the peak of the run and during the war and in the postwar years many of the factory hands were recruited from the ranks of Japanese and Canadian Japanese evacuated from the Pacific Coast defence area early in the war. They proved good workers and still provide much of the factory labor.

The annual value of the pack is about $2 millions, of which the farmers' share is about $1 million. Of this amount $1 million comes from the Lethbridge plant and $500,000 from Taber. Night and day the wheels at the plants spin busily, turning out 12,000 cases at Lethbridge and over 9,000 cases at Taber in the 24 hours.

Is Mechanized Industry

The canning industry in southern Alberta is now highly mechanized including batteries of viners working in the fields during the harvest period. Byproducts provide valuable livestock feed and help to balance up the farmer's early program.

In connection with Broder's Lethbridge plant a modern quick-freeze unit has been established with its products finding an outlet across the prairies.

Much of the output of the south Alberta canning plants is made into "soup stock" and shipped east to large food manufacturing concerns.

The climate of sunny southern Alberta, high altitude, abundant sunshine, and water when needed is a factor in the production of an unusually flavorful grade of fresh vegetables. The seed peas used by the growers are native grown, the commercial seed business being also a thriving allied enterprise now in the district with seed peas, beans and commercial mustard seed staple crops. Southern Alberta is the major mustard seed growing area of Canada, average returns running from 300 to over 1,000 pounds to the acre, with farmers getting six cents or better a pound. It is a dry-land crop.

Other Canneries

In addition to the canneries at Lethbridge and Taber, the Alberta Canning Company operates plants at Magrath and Brooks processing peas, beans and corn. This company is a Canadian subsidiary of the Eddington cannery interests of Springville, Utah, long-time operators in the inter-mountain West. The output of their plants goes into the western Canada trade. The factories provide a welcome payroll in their communities.

The southern Alberta cannery picture would not be complete without reference to the co-operative Mennonite cannery at Coaldale, 16 miles east of Lethbridge. This small-scale factory has handled a very considerable volume of vegetables from adjacent farms and a chicken canning unit has provided a market for thousands of farm chickens. Since the war the Mennonite Church Overseas Relief committee has used the Coaldale cannery for packing meat for Europe and Asia. This meat—it is principally beef—is donated and canned by donated labor, also. Beef for the needy peoples abroad reaches the Coaldale plant by the carcass from all parts of the West where the Mennonites have communities and it is soon "put up" in cans ready for overseas shipment. The Hutterities, too, have made donations of meat to this plant.

In the canning industry in southern Alberta most of the growers do very well. The price for peas, for instance, has been running from $50 to $60 per ton for the choice grades and yields run up to two and a half tons to the acre. That is good money and a good many pieces of irrigated land have been "paid off" with peas and corn.

Recently the Broder cannery at Taber was acquired by a subsidiary of Safeway Stores and the food processing enterprise will be carried on under new ownership and management this season. It is expected the change will actually step-up the Taber plant maintaining the old lines and perhaps adding new products including pork and beans.

The Alberta Canning Co. at Magrath and Brooks, is also planning an active year with Howard Salisbury as general manager of the company. The Magrath plant went into operation in 1945 and during the peak of the annual runs employs 200 workers. Contract acreage this year will be doubled at Magrath and vicinity and largely increased at Brooks This cannery is going to the fertile Vauxhall district, offering farmers $17 a ton, f.o.b. the loading platform for canning corn. A sign-up of 500 acres there is sought, company trucks to move the corn from the loading platform to the factory. The company, it was revealed at a recent meeting of farmers at Vauxhall, is not interested in starting a cannery in the Vauxhall irrigated block at the present, but Manager Salisbury indicated to the farmers that if cucumbers in volume were raised it would be a feasible matter to put in a unit and pickle them. Thus the pickle industry may be due for expansion in southern Alberta, indicative of how one industry grows out of another.

Fewer But Bigger Farms Is Trend on the Prairies

War and postwar needs have wrought a change in Canada's Prairie farm picture. Farms are decreasing in number, increasing in size; are increasing their production, but employing fewer people.

The modern Prairie farmer will never make the mistake of thinking about horses when anybody mentions horsepower, and he can give many a service-station attendant points when it comes to discussing the merits or demerits of various types of internal combustion engines—even airplane power units.

For mechanization has advanced by leaps and bounds in recent years, throwing open wider fields to cultivation, speeding up crop-sowing and harvesting, reducing the number of men required to work the land.

Fewer, Bigger Farms

Figures and data recorded for the 1946 census of the Prairie Provinces, and published by the Dominion Bureau of Statistics, bring the picture into clearer perspective.

They reveal that in 1941 there were 296,469 farms in the Prairie provinces. By 1946, the number had shrunk to 269,469. Average size of a prairie farm in 1941 was 405 acres; in 1946, 436. An average, however, does not give the prairie farm picture as a whole, for although 30% of all farms in the area are shown to be of between 300 and 479 acres, more than 16,000 farms have less than 100 acres of land, and 19,000 farms an acreage of more than 960.

Saskatchewan, heaviest loser of the three Prairie Provinces in the matter of population, is the province of big farms. The average size there is 473 acres, slightly larger than the Alberta average; much larger than Manitoba's.

And as the operation of the farms has changed, so also has the design of production. Sparked by war needs, encouraged by subsidy payments and price increases, various new trends were observed. Prairie farmers began to take a keener interest in livestock; some of their wheat land they gave over to the growing of coarse grains; they devoted a greater acreage to the growing of oil-bearing crops. Since 1943, the trend has been back to wheat; but the mark of the emergency may prove indelible, and prairie farming is likely to continue more varied in the future.

Here then, is the situation as it existed in the summer of 1946 when the census data was gathered:

Nearly 270 thousand farmers in Manitoba, Saskatchewan and Alberta farmed 117.5 million acres of land. Their investment in land, buildings, livestock, implements and machinery was valued at $2.7 billions. Crops were produced on 42 million acres. Their livestock totaled 8.1 million head and their poultry 28.7 million birds.

The farm family averaged nearly four persons at the time of the census; and average value of prairie farm capital was $9,951 per farm.

Net value of agricultural production is estimated at $3,018 per farm and $811 per capita. Net farm income is returned as $2,319 and per capita, $623.

The war saw a rapid increase in western beef cattle production, and an even more marked increase in hog production. Comparative figures for the latter, are:

Province	1946	1941	1936
Manitoba ..	308,052	503,407	269,708
Saskatchewan	523,281	943,711	666,826
Alberta	939,556	1,705,528	877,773
Total	1,770,889	3,152,646	1,814,307
By total value ..	$24,599,785	$25,573,431	$12,749,568

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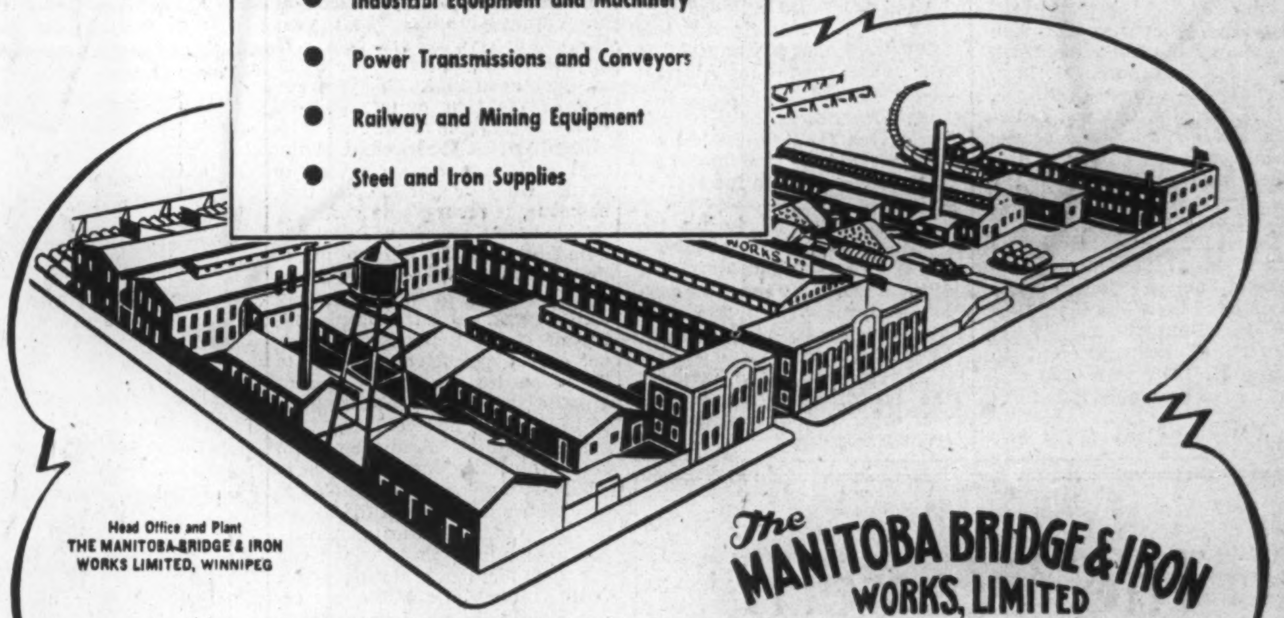

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- a growing number of producers of parts, materials and supplies.
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- numerous business and industrial services.
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- desirable plant sites.
- growing consumer markets—with present purchasing power of $1.5 billion.

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DEPARTMENT of MINES and NATURAL RESOURCES
200 Legislative Building Winnipeg, Manitoba

Grow More Wheat in Canada?

The Question: Do world conditions justify expansion of Canada's wheat acreage?

Western Canada should increase its wheat acreage, in the opinion of a majority of Canadians answering a Financial Post questionnaire. Some urged production of as much wheat as possible, in order to provide food for needy nations, and as a bulwark against future emergencies at home. Others favored "cautious and controlled" increase in acreage. A minority saw danger in over-sowing of wheat, and in disturbing the present balance between wheat and coarse grains. One or two called for restoration of a free market in grain, and argued that farmers could then solve the question for themselves. Statistics show Canada's wheat acreage in 1939, the last prewar year, at 26 million acres; in 1943, 16.9 million acres; 1944, 23.3 millions; 1945, 23.4 millions; 1946, 23.7 millions; 1947, 23.4

P. M. ABEL, Country Guide, Winnipeg, Man.

Favorable prices and the world food situation warrant slight increase in wheat acreage, subject to maintenance of good farming practice. An average yield of last year's acreage will barely enable Canada to fulfill her obligations under the International Wheat Agreement, and provide for normal domestic disappearances. Increase in new breaking is offset by a million acres less summer fallow. Promise of a late spring militates against preparing old land for seeding. The situation does not justify seeding extra wheat acreage if it has to be extended past the normal seeding date, which varies with locality, nor further reductions in fallow. Continued talk of placing coarse grains under the Wheat Board will switch some land intended for coarse grains to wheat, except in the case of an abnormally late spring.

* * *

G. H. AIKINS, President, Manitoba Sugar Co., Winnipeg.

Eliminating the factor of possible war as no basis for constructive planning, I believe expansion of Canada's wheat acreage is justified. Another Canadian crop of last year's size will not go far to satisfy prospective world needs, considering the present retarded recovery of world agriculture, particularly Europe. Canada, in her own interests, should have stocks to satisfy probable demands of paying customers and, on humanitarian grounds, the largest affordable surpluses with which to play a part in European and world recovery programs. Removal of government monopoly on wheat and interference in markets, which creates artificially low prices and prevents registration of actual demand, might assist sound planning.

* * *

A. AITKEN, Commissioner, Regina Chamber of Commerce.

I understand the world is, and will be, short of food. However, the big problem seems to be to get available supplies to those who need them. I doubt that world conditions justify expansion of Canada's wheat acreage, if this implies opening submarginal lands, reduction of summer fallow or reduction of coarse grains.

* * *

E. S. ARCHIBALD, Director, Experimental Farm Servics, Ottawa.

If by world conditions, you mean the world's need of food, Canada and other export countries would be justified in producing a maximum wheat acreage. On the other hand, the producers' problems are that wheat acreage expansion must be at the expense of coarse grain, so much needed for our livestock program; of flax to meet world vegetable oil shortage, and of summer fallow, which is essential in good western cultural practice for weed control and moisture conservation. As to a market for additional wheat, this presumably will depend on yields from increased acreage in other countries, and ability of importing countries to finance purchases. On the whole, I would say that Canadian farmers should make every effort toward maximum production grown on existing or slightly increased acreage, with due recognition of the foregoing factors.

* * *

G. LYALL FRASER, Western City Co., investment brokers, Vancouver.

The present world food shortage, coupled with the unfortunate threat of war, renders the maximum production of wheat by Canada a necessity of prime economic and strategic importance. This also relieves inflationary pressure. The Chicago price of $2.33 for December deliveries appears to warrant expansion of Canada's wheat acreage now, in districts suitable for raising wheat.

* * *

H. L. GRIFFIN, Economist, United Grain Growers Ltd., Winnipeg.

World conditions call this year for maximum production of cereals in Canada. It is not a matter of concern how farmers choose to allocate their acreage as between wheat, coarse grains and summer fallow. That is a matter of sound management on different farms, in the light of experience, of previous soil preparation, of the length of the seeding season, and of available seed. All of these crops can be used alternatively by human beings or by animals. For the future, there is no reason to restrain such limited expansion of western agriculture as may be practicable during the next few years. The world need for food will continue to be insistent, and in the light of the tremendous efforts now being made to re-establish economic and political stability in Western Europe, we should not yet despair of a future solution of the problem of how importing countries will be able to pay for food imports.

* * *

W. M. HOUSTON, Managing director, Houston, Willoughby & Co., Regina.

While an immediate world shortage abroad for wheat seems indicated by some press reports, my opinion is that any official urging of western farmers to expand wheat acreage, would prove a mistake. The first difficulty is a very late spring season, which promises to delay seeding operations seriously. Secondly, any sharp increase in wheat acreage means reduction in summer fallow land, also, more grain seeded on stubble land. These both introduce the risk of final results; also, seriously upset long-term crop rotation and reduce soil conservation routines, so important to future fertility.

* * *

REX FROST, News commentator, Radio Station CFRB, Toronto.

The Canadian wheat situation is influenced by the over-all bread grain position, worldwide. It is estimated world consumption of bread grains per capita will not reach prewar levels until 1951. There should be continued substantial demand for wheat meantime from Europe, Asia and Africa. The recent international five-year wheat agreement gives Canada a 230 million-bushel export quota at guaranteed prices. Payment, however, is likely to provide problems. We may have to extend further credit. World population increase of 11% in the last 10 years indicates the need for a greater volume of wheat than prewar. Limited expansion of Canada's wheat acreage appears justified.

* * *

NORMAN L. LEACH, President, Searle Grain Co., Winnipeg.

The Food and Agricultural Organization has frequently publicized the present and prospective world food scarcity, and we are just emerging from past experience verging on starvation in many overseas countries. The world population is increasing approximately 22 millions per year, so I believe present and possible future conditions justify expansion of Canada's wheat and cereal crop acreages generally, as well as increasing the volume of production of all agricultural products, provided the over-all Canadian government policies will give access to and make provision for disposition generally, of our agricultural output in world markets.

* * *

H. G. LONG, Editor Lethbridge Herald, Lethbridge, Alta.

The answer is yes, and no. World food supplies are still so precarious that all possible wheat should be grown, as it provides more nutrition, in least perishable form, than any other foodstuff. If world peace and trade could be restored, world nutrition needs would take more wheat than Canada ever grew. Also, every 10 years there is an increase in population in United States, equal to Canada's present population; and they are good feeders. But, remembering the sad experience of the late '20's and early '30's, we had better stick to the 25-million acres of wheat we are now growing. Undue expansion, such as in 1928, could bring disaster through unmanageable surpluses. Perhaps until present unclear international relations are resolved, we had better stick to present acreage; but we won't. It wouldn't surprise this writer if western Canada increased its wheat acreage this year 10%, and cut two million acres off coarse grains by reason of higher initial wheat price, confusion over coarse grain and livestock price outlook, and chiefly because we have 50% better-than-normal subsoil moisture, to start seeding.

* * *

W. F. LOUGHEED, Economist, Canadian Bank of Commerce, Toronto.

Because of the difficulty of determining the world crop situation, it becomes impossible for Canada to decide independently domestic and international wheat requirements. Assuming economic use of resources, almost all arable land now is under production or fits within a crop rotation scheme. Having regard for current prices, it would appear difficult to alter seriously the relative production of coarse grains and wheat. Also involved is the desirable size of our hog — farm animal—population. At one time, the free market provided a tolerable guide for the determination of production: today planners, national and international, set targets in the hope of achievement. It might be noted that target practice still is in a state of confusion. With reference to wheat, the experiences of the interwar years should suggest a careful program of grain production.

* * *

GEO. S. MATHIESON, Canadian representative, on International Economic Committee of International Chamber of Commerce, and former president, Winnipeg Grain Exchange.

Although first estimates of United States winter wheat yields are promising, the crop is not yet safe, and spring wheat in Canada and the United States is not yet sown. With the season being late, crops will be more vulnerable than normally. There are no world reserves of wheat; and, although crop conditions in Europe are more or less favorable, good crops in Canada are vitally important. Therefore, there is every justification for expansion of wheat acreage in Canada; but a backward season may induce some late sowing of coarse grains.

* * *

PAT O'DWYER, Winnipeg Free Press.

We can sell all our surplus on world markets in 1948, 1949 and maybe through 1952. World population is up 200 millions since 1939, and grows 20 to 25 millions yearly. Food output isn't keeping pace, but for us the question is, who will pay for our wheat? In the present world of unrest, food is topmost. Refining of the Marshall Plan to include expanded feeding policy would call for much more Canadian wheat than is now fixed under the international agreement. Additionally, we need surplus in the event of war, or of crop failures at home and abroad.

* * *

D. B. ROGERS, Editor, Leader-Post, Regina.

Expansion of Canada's wheat acreage would be unwise and unsound, from the standpoint of western agriculture. Although there is little likelihood of a wheat glut developing in the early future, the long-range possibility should not be overlooked, because of the steadily increasing efficiency of the grain-growing industry. Western Canada cannot afford to return to a one-crop economy. Prosperity of the Prairie country can best be maintained by proper crop rotation and diversification. Despite prevailing world food scarcity, it would be most unfortunate should the present reasonable balance between coarse grains and wheat be upset.

* * *

G. S. THORVALDSON, President, Income Tax Payers' Association, Winnipeg.

In the spring of 1941, Hon. J. G. Gardiner, Minister of Agriculture and Minister of National War Services, told Canadian farmers in a radio broadcast that the Government would prefer that they grow no wheat in 1941. Fortunately for Canada and the world, farmers refused to follow this advice, and grew 314 million bushels in that year. This, however, indicates the great dangers inherent in even the Government's presuming to advise as to restriction or expansion of wheat acreage. It also proves, by inference, that the best and only regulator of wheat acreage is the automatic governor provided by a free market. Give us back the free market; then farmers will correctly decide whether to expand or restrict their acreage.

* * *

COL. W. VAN ALLEN, farmer, Shaunavon, Sask.

I see nothing in world conditions to justify any expansion of Canada's wheat acres because (a) Europe's objective is to become more and more self-supporting.

(b) Certain countries which did buy from us, have been absorbed in Russia's sphere of influence, and will buy elsewhere.

(c) It is possible, and probable that other countries will have to go the same way.

(d) In the event of any grave emergency confronting our customers or ourselves, production can be accelerated with sufficient rapidity to cope with the situation.

* * *

THOMAS E. WALSH, McGuire Advertising Ltd., Windsor, Ont.

With privation and hunger still stalking the greater part of the earth—fertile breeding grounds for those whose interests are inimical to our way of life—all possible food should be produced. Canada's wheat acreage should be expanded, if only as a precautionary measure against the threat of a third and most devastating global conflict, when food may prove a decisive factor. The Marshall Plan, as it affects Canada, should provide a ready market for all the wheat this country can produce within the next few years, thereby yielding millions of badly needed U. S. dollars.

1947 Record on Prairie Farms

(Home Grown Produce), 1947
Income in Kind to Persons on Farms
(Thousands Dollars)

	Man.	Sask.	Alta.	CANADA
1. Milk	2,993	6,891	4,595	38,393
2. Dairy butter	2,471	6,107	4,003	20,722
3. Cheese	30	42	58	198
4. Eggs	1,515	2,661	2,502	20,291
5. Poultry meat	2,655	5,030	3,642	23,771
6. Beef, pork, mutton and lamb	3,332	8,637	3,421	41,765
7. Potatoes	1,096	2,821	2,157	16,697
8. Vegetables	2,796	4,684	4,751	29,491
9. Greenhouse products	21	25	103	1,225
10. Fruit	126	236	281	11,744
11. Honey	24	49	40	211
12. Maple products	—	—	—	4,595
13. Cereal products	16	18	15	103
14. Forest products	1,450	2,500	2,000	51,750
15. Wool	6	7	7	327
16. House rent	3,597	7,690	5,921	62,182
TOTAL	22,128	47,398	33,496	323,465

Farm Operating Expenses — 1947
(Thousand Dollars)

	Man.	Sask.	Alta.	CANADA
1. Taxes on all farm land	8,448	13,808	14,030	79,067
2. Net farm rent	6,828	23,145	13,643	47,547
3. Wages paid to labor	11,804	19,490	33,673	152,053
4. Interest on mortgages, agreements of sale, etc.	1,400	5,111	2,624	21,218
5. Feed and seed purchased through market channels	13,015	26,273	23,911	253,790
6. Tractor fuel, oil and grease	8,757	25,788	16,085	69,841
7. Truck expenses (a) Licenses	227	812	593	3,453
(b) Operating	2,519	6,707	4,638	22,570
8. Farm automobile expenses	2,706	5,706	4,372	30,872
9. Blacksmith and machine shop charges.	1,456	4,600	2,890	15,413
10. Binder twine	1,729	3,025	2,576	10,315
11. Fertilizer	757	1,047	1,035	28,502
12. Fruit and vegetable supplies (sprays boxes, etc.)	933	1,969	1,676	17,275
13. Fencing	493	1,497	1,071	5,607
14. Repairs to buildings	1,940	4,112	3,182	29,070
15. Machinery repair parts	4,492	10,932	7,169	31,000
16. Water rent	—	—	1,077	1,531
17. Nursery stock	84	182	159	1,916
18. Miscellaneous	3,379	7,710	6,720	41,045
19. TOTAL OPERATING	70,967	161,914	141,124	861,985
20. Depreciation of buildings	2,875	6,091	4,714	43,067
21. Depreciation of machinery	7,609	17,025	13,363	60,776
22. TOTAL DEPRECIATION	10,484	23,116	18,082	103,853
23. TOTAL OPERATING AND DEPRECIATION	81,451	185,030	159,206	965,838

Net Income of Farm Operators From Farming Operations, 1947
(Thousand Dollars)

	Man.	Sask.	Alta.	CANADA
1. Cash income from farm products	185,893	434,104	345,480	1,990,619
2. Income in kind	22,128	47,398	33,496	323,465
3. Values of changes in inventory	8,066	33,202	18,160	100,111
4. Gross income	199,955	448,300	360,816	2,213,973
5. Operating expenses and depreciation charges	81,451	185,030	159,206	965,838
6. Net income excluding supplementary payments	118,504	263,270	201,610	1,248,135
7. Supplementary payments	6	9,838	1,732	11,576
8. Net income of farm operators from farming operations	118,510	273,108	203,342	- 1,259,711

OIL PRODUCTION

Alberta Oil Production Shows Major Jump in '48

From Our Own Correspondent

CALGARY — Gross value of Alberta's crude oil and natural gasoline delivered during the first two months of this year totaled $4,402,069, an increase of $1,915,764 over the gross return for January and February of last year ($2,486,305).

Crude oil and natural gasoline production for the first two months of 1948 totaled 1,353,171 bbls., an increase of 285,152 bbls. over the same period in 1947 (when production amounted to 1,068,019 bbls.).

These figures, just compiled by Alberta's Oil & Gas Conservation Board, reflect the increases in crude oil prices effected during the past year, and the expansion of production particularly at Leduc and Lloydminster. Alberta's production in February averaged 22,956 bbls. per day, an increase of almost 5,000 bbls. daily compared with February, 1947, when yield was 18,030 bbls. per day. Continuing expansion of production — and revenue — is anticipated.

* * *

Plan Woodbend "Sale"

A fixed cash payment, plus a "royalty bonus" bid on a competitive basis, are the terms set by the Alberta Government for leasing of its first offerings out of the "Crown Reserves" in Woodbend twp. Four quarter sections will be offered for lease at 3 p.m., May 4, at the office of the Department of Lands & Mines, Edmonton.

A competitive "royalty bonus" featured the Government's offering of two 40-acre Leduc field leases last January, and resulted in fantastic bids of 50% and 58½% royalty over and above the normal Crown percentage. Both government and industry expressed concern over the high royalty saddled against the Leduc "Crown Reserve" leases. The Government, however, is going to try out the royalty bonus feature again.

The May 4th offering covers four 160-acre tracts scattered over the 11,520 acres of "Crown Reserve" created in Twp. 51 Rge. 26w4, when Imperial Oil converted its exploration reservation to lease, following its oil discovery at Woodbend.

One 160-acre tract will be offered for lease at a $40,000 cash bonus, plus "royalty bonus." This tract, designated Parcel No. 2, covers southeast quarter of Section 2, offsetting the most northerly Leduc field oil well (Globe-Leduc West No. 4) to the north.

The other three tracts are being offered at $25,000 cash bonus, plus "royalty bonus." These are: southeast quarter of Section 12, 1¼ miles northeast of Leduc producers and southwest offset of the drilling Continental-Leduc-Woodbend No. 3 wildcat; southwest quarter of Section 4, two miles south and west of the Imperial-Woodbend discovery well, and just over two miles north of Leduc's west producing limits; southwest quarter of Section 7, 2½ miles west and a mile south of the Woodbend discovery well.

In addition to full amount of the cash bonus, the sealed bids submitted must include cash or certified cheque for $2,500 deposit (returnable when drilling starts), $160 for first year lease rental at $1 per acre, and lease fee $10.

Each quarter section offered carries a drilling commitment, requiring commencement of operation by July 15 of this year.

* * *

New U. S. Oil to Drill

Another large American oil company, Pacific Western Oil Corp. has announced commencement of drilling in Alberta.

The company's first well — in Lloydminster — will be Pacific Western-CPR No. 1, in the northeast 10 acres of L.S.D. 141-51-3w4. The location is 2½ miles north of the Kitscoty railway point, and 14 miles northwest of the border town of Lloydminster, six miles northeast of the Blackfoot pool.

It was just a month ago that the company's Division Geologist from Wyoming, Dr. P. T. Walton, arrived in Calgary to establish a Canadian Division office. Offices have been opened at 214 Burns Building. J. R. "Jim" Chilton, a geologist with McColl-Frontenac in Alberta for several years, was engaged by Pacific Western as geologist for its new division.

The Kitscoty drilling results from an agreement reached by Pacific Western with Lloyd Clinch, J. S. Irwin and General Petroleums, holders of a reservation on CPR rights checkerboarded over Twp. 50, Rge. 3w4th, Twp. 51 Rge. 3w4, and the west part of Twp. 51 Rge 2w4. Under the agreement, Pacific Western gets 2,270 acres, spread in a quarter section pattern over the reservation.

* * *

Home Well Looks Good

Home Oil Company's Leduc No. 5 well, recently completed D3 zone success, was opened up for four hours on April 9, to determine open flow potential.

Flowing wide open, the well produced 568 bbls. in the four hours, an average of 142 bbls. hourly. Indicated open flow potential is 3,408 bbls. daily — tops in the field. Following the run, ⅜-in. choke was reinstalled, and the well replaced on restricted flow at 17 bbls. hourly.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

TRANS-CANADA AIR LINES operating revenues totaled $15,297,346 for 1947—an increase of $2,486,541 or 19% over the preceding year. Passenger revenues increased $2,403,400 or 30%; cargo revenues $144,208 or 47%; mail revenues $27,688 or 1%; revenue from sales and services decreased $164,273 or 28%; other revenues increased $75,518. Passenger revenue contributed 68% of the total, mail revenue 25% and cargo revenue 3%.

Operating expenses totaled $16,796,491—an increase of $2,870,430 or 21%. Of this, an increase of $1,347,908 is attributed to higher payroll charges, and $1,128,541 to the rise in prices affecting purchase of all TCA materials.

Operating deficit was $1,499,145 ($1,115,256 in 1946). After charging interest on capital invested of $261,897 ($154,368) there was a deficit of $1,761,042 ($1,269,624).

Year 1947 was a period of growth in Canadian air transport, President G. R. McGregor reports. TCA's route miles increased by 1,248 to a total of 7,759 and six more cities were included as points of call. Over 1,380,000 more revenue miles were flown in 1947 than in 1946. Canada's transcontinental air route was shortened. Service extensions resulted in a 34% increase in carrying capacity. Number of passengers carried increased 40% and air express volume was up 38%; there was practically no change in air mail.

Pointing out that the number of passengers carried on North American services grew by 40% while passenger revenue increased by 30%, Mr. McGregor states: "This type of traffic was unable to support, by itself, the greater economic requirements of mainline operations. The line flew with empty space in 1947, indicating the opportunity for a wider employment of air transport in the carriage of mail and cargo. While 33,483,544 ton miles of transport were available on the North American routes in 1947, only 19,588,661 revenue ton miles or 58.5% were used as compared with 67.5% in 1946. In an effort to develop nonpassenger load, TCA is now organizing an air cargo service for business and industry."

"Efforts will be continued to develop with the post office department, a satisfactory basis under which first class mail can be carried by air where the public would gain by the quicker delivery thus afforded," Mr. McGregor states.

"Facilities of the airline will also be offered to the defense service and other branches of government for the essential transport of persons and equipment. Special efforts will be made to ease the problem of seasonal traffic fluctuations which, in Canada, permit the full utilization of equipment and staff during only four months of the year."

In 1947 TCA carried 427,967 passengers (305,442) and 1,439,814 lb. of express (1,043,713) and flew 1,232,237 mail ton miles (1,210,716).

With the opening of the Great Lakes Airway on July 1, all transcontinental flights were scheduled through the Lakehead and Sault Ste. Marie providing these cities with their first main line air service and the Toronto-Winnipeg flight time was reduced. Service to Northern Ontario was maintained by an operation between Toronto, North Bay, Porquis and Kapuskasing. Opening of a direct line between Winnipeg and Edmonton brought the two cities within five hours of each other and added Saskatoon to the network. Medicine Hat and Swift Current were included in a daily transcontinental schedule. A new international operation linked Halifax, Yarmouth, Saint John and Boston.

The fleet at the end of the year consisted of 30 Douglas DC-3 aircraft and 11 Lockheed Lodestars. All of the 10-passenger and most of the 14-passenger Lockheeds have been retired from service in favor of the 21-passenger DC-3 and the 40-passenger North Stars now in production. Some of the older equipment was sold.

Introduction of pressurized North Stars was delayed owing to production problems, but at the end of the year, three of these aircraft were being prepared for domestic operations and used for pilot training. When they go into service, Mr. McGregor predicts they will reduce travel time between Montreal and Vancouver to 14 hours westbound and 13 hours eastbound including station stops—five hours less than at present. Twenty North Stars are in process of delivery by Canadair Ltd.

On May 1 Trans-Canada Air Lines (Atlantic) Ltd. assumed responsibility for the operation previously provided by the Canadian Government Trans-Atlantic Air Service. A basic schedule of one daily trip in each direction between Montreal and the United Kingdom was maintained throughout the year and during the summer as many as 11 round trips were operated each week.

In the last eight months of the year, 15,815 passengers were carried, of whom 1,422 were immigrants brought under charter arrangements with the Province of Ontario. In the same period 152,179 pounds of mail were carried, the flow being predominantly eastbound. Air express amounted to 271,077 pounds and air freight 111,688 pounds.

Operating revenues were $5,483,298 and operating expenses $5,341,898, leaving an operating surplus of $141,400. After payment of $5,097 interest on capital investment, surplus was $136,303.

Six unpressurized North Star aircraft replaced the modified Lancasters previously in service. Three pressurized North Stars were being used for flight training at the end of the year.

Referring to future service, Mr. McGregor says, "Progress in 1948 will be measured not so much by route extensions as by improvements in speed, comfort and capacity. Canada's second overseas air operation, however, is expected to begin in 1948, with the North Star service to Bermuda."

Staff assigned to both companies totaled 4,393 at Dec. 31, 1947.

"REGAL FLOUR"
THE ST. LAWRENCE FLOUR MILLS COMPANY, LIMITED
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Millers of the following well known brands of flour:
"REGAL" "FLEUR DE LIS"
"DAILY BREAD" "RADIO"

NORRIS GRAIN COMPANY LIMITED
Grain Merchants, Shippers and Exporters
709 Grain Exchange, Winnipeg
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BALTIMORE MINNEAPOLIS DULUTH LONDON LIVERPOOL

HALLET & CAREY LIMITED
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd.
and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que.
— Vancouver, B.C.

Western Grain Co. Ltd.
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Operators of Country Elevators in Alberta and Saskatchewan
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N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
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Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
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JAMES RICHARDSON & SONS LIMITED
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WHAT'S NEW IN BUSINESS

Plays 100 Records

By playing records vertically, new device plays 100 10- or 12-inch records selectively and continuously. "Mechanical brain" automatically selects record to be played, plays it, returns it to its place in the library then automatically plays next selected record. Complete library (200 sides) may be played without human hand touching mechanism, manufacturers assert, and entire program may be selected in advance by setting a sequence of levers. Records can be played automatically up to 14 hours. While it will be available for home, school, restaurant and institutional use, makers believe their record player will be useful in factories where "music while you work" is practiced.

• • •

Stirring Spoon

For more thorough stirring and to avoid sticking and lumping of food, latest kitchen spoon is squared at tip, covers 10 times more area. Made of stainless steel, new-look spoon retains standard curved bowl for use in basting, tasting, etc.

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

• • •

Dripless Paint

No elaborate precautions are necessary to protect floors, etc., when using paint which manufacturers claim is splash-proof and drip-proof. Special ingredients make paint appear like jelly, but it requires very little stirring and is said to brush out easily to even film, leaving no brush marks. May be applied over plaster, wallpaper, previously painted surfaces and kalsomined without removing old kalsomine.

• • •

Built-in Can Opener

Latest can opener, encased in chromium-plated box, fits flush against kitchen wall, can be installed on any wall finishing. Pull on knob brings mechanism into position for instant use and, manufacturers claim, instrument will give lifetime of satisfactory service as lack of sharp cutters or cutting wheels eliminates necessity for oiling and sharpening.

• • •

Sponge Rubber

New, noninflammable sponge rubber can be vulcanized directly to upholstery materials, rugs, carpets, etc. Applied to boxboard, offers protective lining for cartons for shipping of glass products and instruments. Sponge rubber can be delivered through hose, where it sponges at nozzle; can be cast in sheets and in open moulds, or continuously produced at high speed in sheet form.

• • •

Notebook Holder

Canadian manufacturing stationer has new style notebook holder which stresses complete comfort for stenographer while taking dictation. Holder of lightweight plastic has universal-fit knee-grip with angular adjustment; can also be used to hold notebook at preferred angle for easy transcription. Copy holders and dual pencil holders add to convenience; also featured is partially concealed mirror in bottom of holder for steno's convenience.

• • •

Pencil Sharpener

Wide variety of points can be obtained with new pencil sharpener by turn of ball-bearing indicator cap. Manufacturers say that draftsmen's long-lead sharp or blunt or standard points may be shaped as desired, while further advantages of new sharpeners are replaceable hollow-ground blades.

• • •

Air Diffuser

New type air diffuser provides any desired air flow pattern at turn of knob. Adjustment mechanism varies vertical positions of third cone, producing air flow patterns ranging from draftless diffusion to downward projection without affecting air resistance. Adjustable feature permits unit to be used for heating, ventilating or cooling in any combination, according to makers. Adjustment may also be accomplished by remote automatic or manual control, and pneumatically operated control equipment may be used to adjust any number of diffusers simultaneously.

• • •

Sign Novelty

Letters of "Neosign" can be changed at will and without effort, say makers of new sign idea. Letters and numbers light up without any plugs, attachments or connections, simply by placing against backboard, and entire sign costs less to run than ordinary 40-watt bulb. Sign is offered in AC in any voltage.

• • •

Negative Material

Claimed less costly and faster than other materials, "Transaloid" is new plastic coated negative material for offset printing, lithography, photo-engraving and blueprinting trades. May be used for line and halftone reproduction; is said to dry rigidly and lie flat. Packaged in cut sheets in dozen and gross boxes of all regular sizes from 5 x 7 to 20 inches, it is also available in 100-ft. rolls from six inches to 43½ inches wide.

• • •

Preserves Fresh Foods

Thermoplastic resin combined with odorless and tasteless preservative for coating of fresh foods, especially shell eggs has been developed and will soon be marketed under registered name, "Plast-O-Trete." Makers say new coating material has been successfully applied to vegetables, fruits, cocoabeans, copra, etc.

• • •

Cocktail Shaker Plus

Latest model cocktail shaker has squeezer and strainer enclosed under cap so that juice of oranges, lemons and limes for use in cocktails can be strained directly into mixer. Squeezer-strainer is removable for shaking process.

• • •

Curtains Don't Shrink

"Duralace" curtain material can be laundered repeatedly, hung up to dry and then pressed out without any sign of drooping, sagging or shrinking out of shape, says maker. Curtains treated with the new finish come in several patterns in a creamy off-white color.

• • •

Sticky Tape

Gummed tape printed with any desired message or design, sticks "at a touch" to almost any surface, makers state. Printing is sealed into tape and cannot be smeared or rubbed off, and wide range of background colors can be printed in one or two inks.

• • •

Flour Bag

Flour bag which, makers claim, will not slide off loads or trucks, is said to handle easier than ordinary multiwall bags; flour will pour clean, leaving no residue. Bag is made in 100-pound open-mouth style and in 100-pound tuck-in-sleeve style.

COMPANY REPORTS

WALTER M. LOWNEY CO. 1947 net profit was double that of 1946. Raw materials became gradually more plentiful; sugar quotas were progressively increased, until rationing was finally discontinued in 1947. As a result, more candies were made available to the Canadian market.

The new Vancouver warehouse was formally opened in September, 1947. Other construction involved erection of a new building, and installation of equipment at the dairy at St. Cuthbert, Que.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net. oper. profit	$707,247	$322,302
Add: Other inc.	9,384	31,639
Net earnings	716,631	353,941
Less: Deprec.	35,354	34,084
Pension fund	57,349	39,079
Inc. taxes	293,519	118,862
Net profit	330,409	161,916
Less: Dividends	124,314	103,595
Surplus for year	206,095	58,321
Earnings per Share and Dividend Record:		
Earned	$1.59	$0.78
Paid	0.60	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$265,190	$36,286
Marketable secs.†	306,645	306,645
Accts., etc., rec.	728,448	589,332
Inventories	728,730	988,699
Total curr. assets	2,029,013	1,920,962
Def. & prep. chgs.‡	185,477	193,933
Inv. in subsid.	7,800	7,800
Fixed assets*	569,552	364,658
Trademarks, etc.	60,000	65,000
Total assets	2,851,842	2,552,353
Total curr. liab.	677,089	583,696
Capital stock	260,036	260,036
Capital surplus	884,412	884,412
Earned surplus▲	1,030,305	824,209
†Market value	322,580	324,060
*After depr. of	1,343,606	1,307,754
‡Incl. ref. EPT.	108,593	121,448
▲Incl. ref. EPT.	121,448	121,448
Working capital	1,351,924	1,337,266

INTERNATIONAL COAL & COKE CO., Coleman, Alta., 1947 net profit was off sharply at $11,524 ($86,243). Shrinkage in earnings is attributable almost entirely to present labor contract conditions, the annual report states. In addition to production loss due to the shorter working week, there was a reduction of 18.2% in the average output for the days actually worked, due to labor shortage. Indications are that more labor will be available for the remainder of this year, and that daily output will thereby be brought back to approximately the level of 1946.

Since December, 1943, negotiations have been proceeding in the town of Coleman for sale to it of the light and water system. This has now been concluded by the acquisition by the town as of Jan. 2, 1948, of the shares and bonds owned by the company for $83,000. The sale is not reflected in the balance sheet.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$92,548	$236,114
Less: Depreciation	37,710	42,951
Depletion	36,945	45,600
Income taxes	6,369	61,320
Net profit	11,524	86,243
Less: Dividends	90,000	90,000
Deficit for year	78,476	3,757
Earnings per Share and Dividend Record:		
Common	$0.004	$0.029
Paid	0.03	0.03

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$9,762	$474,549
Investments*	782,868	530,292
Accts. rec.	271,938	235,044
Inventories	27,393	11,894
Total curr. assets	1,091,961	1,251,779
Invest. in subsids.	43,129	43,129
Misc. assets▲	177,193	78,917
Fixed assets	4,437,136	4,375,140
Total assets	5,749,419	5,748,965
Accts. & tax. pay.	45,911	50,958
Other curr. liab.	62,572	52,952
Total curr. liab.	108,482	103,952
Uncl. divs. pred. co.	2,868	2,784
Reserves	2,178,609	2,104,284
Capital stock	3,000,000	3,000,000
Capital surplus	270,000	270,000
Earned usrplus▲	189,460	267,945
*Market value	775,322	550,365
▲Incl. ref. EPT	3,426	3,426
Working capital	983,479	1,147,827

CANADIAN DREDGE & DOCK CO. 1947 net profit was up sharply at $141,131 ($36,417). A large volume of work was completed, a substantial volume of which was in New Brunswick. Extensive dredging operations were performed on the Great Lakes and in the St. Lawrence River. A satisfactory volume of miscellaneous construction work was undertaken.

The company is constructing the new Ferry Terminal at Cape Tormentine, N.B., under contract with the Federal Department of Transport. A second contract is held for part of the new facilities on the Prince Edward Island side at Port Borden. About half of the work on these two contracts is completed. A full year's program remains, and several units of marine plant will be engaged there.

Dredging on the St. Lawrence contract will be continued in 1948 in addition to some uncompleted harbor contracts in the Upper Lakes. The construction department has several contracts in hand, which will carry well into the coming year. Additional new work would ensure another busy year for the company's plant and personnel.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$402,903	$117,858
Less: Depr. res.	179,772	104,630
Income tax	82,000	12,000
Add: Asset sale	......	35,189
Net prof. & surp.	141,131	36,417
Earnings per Share and Dividend Record:		
Common: Earned	$1.49	$0.38
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$160,262	$171,641
Accts. rec.	794,098	391,030
Inventories	267,566	229,407
Total curr. assets	1,221,926	792,078
Invest.	600,000	600,000
Plant replac. fnd.	200,000	200,000
Misc. assets	100,957	101,026
Fixed assets*	1,441,036	1,518,161
Total assets	3,563,919	3,211,265
Bank loan	......	75,000
Accts., tax., etc., pay.	564,873	238,350
Total curr. liab.	564,873	313,350
Notes pay.	200,000	240,000
Res. plant replac.	200,000	200,000
Capital stock	1,542,500	1,542,500
Capital surplus	7,500	7,500
Earned surplus	1,049,046	907,915
*After depr. of	1,838,010	1,718,121
Working capital	657,053	478,728

The Oil Dollar
And What HAPPENS To It!

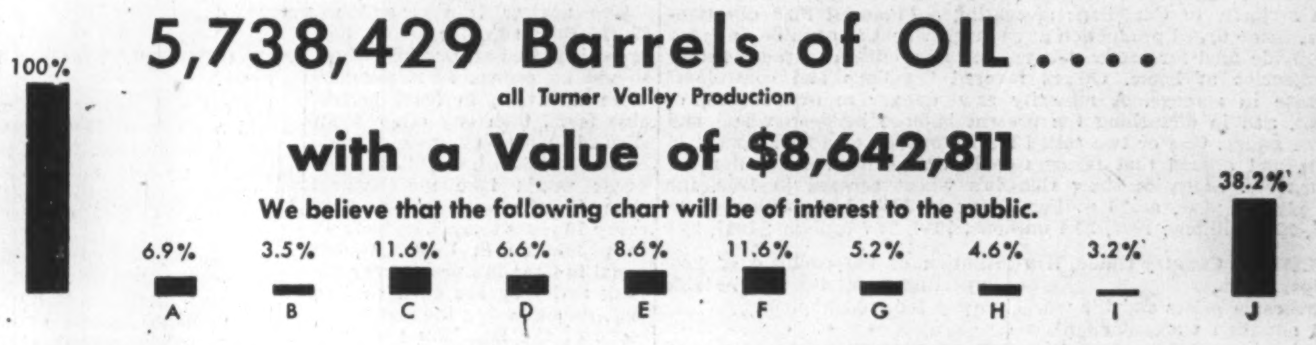
From June 16th, 1936 to December 31st, 1947, we produced

5,738,429 Barrels of OIL....

all Turner Valley Production

with a Value of $8,642,811

We believe that the following chart will be of interest to the public.



A. 6.9% paid to the Province of Alberta in Royalties.
B. 3.5% Royalties paid to Freehold owners.
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F. 11.6% Operating Expenses. (other than Wages).
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What's Our Defense Dollar Worth?

Armed Services Cost Seven Times 1939 Total; We're Still Not Ready for 'Push-button War'

By KENNETH R. WILSON

As Canadian taxpayers, you and I are being asked to foot a bill of $232 millions for Canada's armed services in 1948-49.

High governmental authorities say this is a typical and "rock-bottom" commitment for postwar national defense.

They say this is the sort of bill Canadians must look forward to paying in this kind of world. They say this, even though in the fiscal year which ended three weeks ago, the services fell at least $70 millions short of the $244 millions they asked for in the governmental estimates a year ago.

At this rate, we're spending close to a billion dollars every four years to build what Defense Minister Claxton calls "a highly efficient defense force capable of expansion at a rate adequate to enable us to play our part in meeting an emergency."

This billion dollars for four years of postwar defense preparedness may not look large alongside the $3 billions we spent in the single peak year of the war effort.

Judged by any prewar Canadian standards it is colossal.

The fact is, that in the entire 19-year period between the two great wars, the total Canadian expenditure on defense was only $409 millions. That's an average of $21.5 millions a year.

Right now we seem to be on the way to a peacetime defense bill just 10 times as great.

Getting Our Money's Worth?

What are we getting for our money?

Have we an Air Force that could rise tomorrow if need be and push an attacker from our door?

What sort of a Navy have we to show for the $50 millions a year it costs us?

Are the 16,000 officers and men presently on the strength of the Canadian Army worth the $95 millions they have asked for, in the year which started April 1?

A few weeks ago, Secretary of State Marshall in an unguarded moment described the U. S. Army as a "hollow shell." This set a lot of U. S. taxpayers and defense-minded citizens wondering what they were getting for the staggering $11 or $12 billion budgets Americans are being called on to shoulder.

It is not hard to find out where Canada's defense dollars are going. There are plenty of statistics.

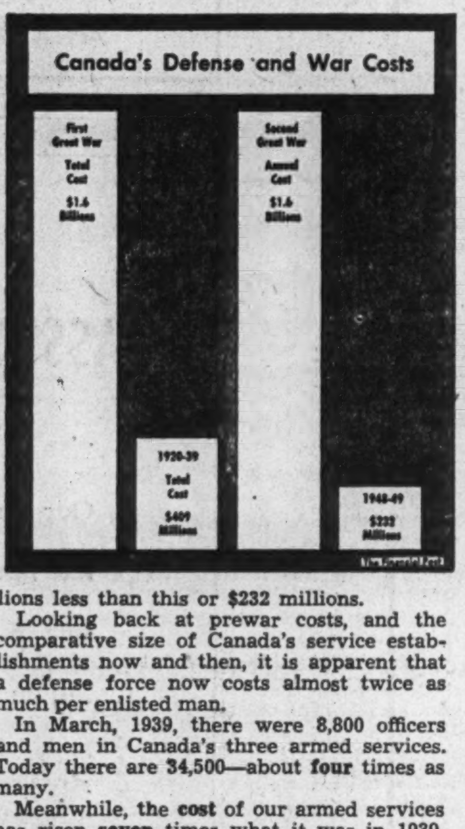
What is a lot harder is to know whether or not the taxpayer and the citizens at large are getting proper value for our defense dollars.

Main lines of expenditure can be broken down as follows:

CANADA'S DEFENSE DOLLARS
(1948-49 Estimates)

	Millions of Dollars	%
(I) By Services		
Army	94.1	37.4
Air Force	80.0	32.3
Navy	49.1	19.0
Pensions, grants, etc.	11.5	4.8
Defense research	16.0	6.0
National Defense Colleges	1.7	.5
	252.4	100.0
(II) By Service Requirements		
Pay and allowances	85.3	34.0
Civil salaries and wages	26.7	11.0
Equipment	30.3	12.0
Property:		
(a) Construction and purchases	22.3	8.0
(b) Maintenance	17.6	7.0
Food	6.6	2.0
Clothing and personal services	9.8	4.0
Fuel for ships, planes, transport	7.8	3.0
Travel and freight	12.6	5.0
Pensions	9.1	4.0
Research	16.0	6.0
Miscellaneous	8.3	4.0
	252.4	100.0

The total "commitment" which Parliament is being asked to make for the armed services in 1948-49 is $252.4 millions. But actual expenditures are estimated to be $20 millions less than this or $232 millions.



Looking back at prewar costs, and the comparative size of Canada's service establishments now and then, it is apparent that a defense force now costs almost twice as much per enlisted man.

In March, 1939, there were 8,800 officers and men in Canada's three armed services. Today there are 34,500—about **four** times as many.

Meanwhile, the **cost** of our armed services has risen **seven** times what it was in 1939.

Put another way, the **size** of our armed service is now four times higher than prewar. But **costs** have jumped seven times over what we were spending just prior to the outbreak of World War II. Comparative figures for the individual services follow. It will be seen that the per capita cost of the Navy has risen most sharply.

PER CAPITA COST OF DEFENSE SERVICES

	Present Strength	Per Capita Cost 1948 $	Per Capita Cost 1939 $
Army	15,500	6,200	3,500
Air Force	11,700	7,300	5,250
Navy	6,800	7,000	3,400
	34,000	7,000	4,000

There are two reasons for this mounting per capita cost: mechanization, and the fact that there are now two civilians on the payroll for every enlisted man. Look at these striking facts:

The radar equipment on a modern cruiser costs as much as an entire cruiser cost before the war.

For the Army, one single weapon which we purchased recently cost us $600,000. The same sort of weapon 20 years ago could have been bought for perhaps $20,000.

The new North Star transports which have recently been delivered to the RCAF will cost that service at least $700,000—even after the Government and TCA have absorbed substantial development costs. A modern bomber probably costs between $1 and 2 millions as it comes from the production line. The first one to be produced probably set someone back about $50 millions.

The Push-button War

These weapons are largely the weapons which we were using when we stopped fighting the last war.

They are the weapons with which we will fight any war that may break out in the next 10 years.

In addition, all defense forces must also get ready for the push-button war of tomorrow.

The common agreement among experts in London, Washington and Ottawa, seems to be that the push-button war is at least 10 years—possibly 25 years—away. That means that any war fought in the next decade will be fought with the weapons which we were using at the end of the last war.

The jet fighter is a case in point.

Canada had no jet fighters during 1939-45. But by the end of Great War II, jets were clearly headed for top-billing in any future conflict.

We now have 85 Vampire planes on order from Great Britain. Most of them have been delivered. As well, we are spending many millions of dollars to develop a unique type of jet engine and craft at the Avro plant at Malton.

Experimental costs on this single project will run probably $6 to $10 millions, with no allowance for vast wartime expenditure to build and equip this plant. (These jet costs are not being charged to National Defense. They are part of the estimates of Reconstruction and Supply.)

There are many important developments, like jet planes which came into focus at the end of the last war. There are the machines and weapons which today's forces are using. There won't be any very radical changes for some time. As one general is reported to have said: "We've got part of the machinery for push-button war — the push-button. Not much else."

How Navy Compares

On the naval side, the contrast between Canada's prewar and present equipment is very marked.

For its present outlay of $50 millions a year (the prewar cost was $2 to $5 millions annually), the Royal Canadian Navy is now prepared to operate on the Atlantic and the Pacific. Out of Halifax will be the new winterized aircraft carrier "Magnificent" (recently commissioned in Britain) and three destroyers. The destroyers are of Tribal class. Two have been completed since the end of the war (Nootka and Micmac). The Haida saw service in the last war.

The major ship operating out of Esquimalt will be the cruiser "Ontario," supported by three destroyers—Cayuga, Athabaskan and Crescent. The Cayuga and the Athabaskan are the most recently launched Canadian-built Tribal destroyers (constructed at terrific expense at Halifax to meet a wartime whim for Canadian-built ships of this class). The Crescent is a smaller vessel.

As well there is the Warrior—an obsolete aircraft carrier which has been doing training duty during the past year. It will be placed on reserve as soon as the Magnificent is available. Other reserve ships include the cruiser Uganda and five other destroyers.

Out of the Navy dollar (1948-49 estimates) 45% ($22.5 millions) goes for pay and civil wages in the fulltime service. Almost 10% ($9.4 millions) goes for purchase and repair of new equipment, stores, etc. Purchase, repair and operation of naval property will take $5.7 millions. Food, fuel, supplies, sundries, transportation, etc., are down for $8.6 millions. Rest of the money (about $3.5 millions) is for the naval reserve, sea cadets and naval college.

Defense leaders are proud of the "operational" role of Canada's Navy. They claim that if Canada is called on to make its contribution to a world police force, the contribution the Navy could make would probably be sufficient to meet the entire Canadian commitment.

The Army's Program

For the $94 millions which Canadians are asked to spend on their Army in 1948-49, the active force payroll alone eats up $40 millions or 42% of the total. Purchase, building, maintenance and repair of properties will take $16 millions. There is $15.2 millions allocated for food, supplies, equipment, fuel, transportation and sundries. Army vehicles and stores are to cost $4.7 millions. The reserve force is down for $8.7 millions and $6.5 millions will be spent on special projects like the N.W.T. and Yukon Radio system and the Northwest Highway system.

Through its new organization of five Canadian commands the Army is essentially a vast training ground for expansion in time of war. No one denies that Canada, at the present time, would have difficulty in mustering much more than a brigade group of a few thousand men for immediate active service. This looks like an astonishingly small performance for an organization costing nearly $100 millions a year, and with 16,000 active service, 35,000 on the reserve force, and a heavy civilian payroll.

And there are some important but expensive "services" which the Army is performing on a fulltime postwar basis. For example: the Canadian Army maintains and operates a high-speed 24-hour nationwide communications network over some 32 of its own stations. This covers Canada from coast to coast, including the Northwest Territories. The Army also runs the Northwest Highway System.

What Air Force is Doing

Air Force estimates call for $80 millions for 1948-49. This is the only service which is asking more this year than last. The total estimates for 1947-48 were $72 millions.

The new figures include $28.8 millions (36%) for pay and civil wages. There is $12.6 millions for aircraft, ammunition, bombs, mechanical transport and other stores and equipment. $9.4 millions is being sought for construction, maintenance and repair of properties.

There is $15.4 millions in the Air Force estimates for these special services:

Photographic Squadron	$791,000
Northwest Staging Route	7,081,000
Goose Bay	2,542,000
Search and Rescue	5,020,000

These services are largely self-explanatory. The Search and Rescue operation is a new item in the 1948-49 estimates. It is to enable Canada to carry out an obligation for ocean patrol of airlanes on each coast under international agreement.

In addition to the Vampire planes mentioned earlier, the Air Force has about three-score Lancaster-type bombers; 30 Mustangs and 22 mapping planes.

This does not add up to a first-rate "operational" concern. This is partly because the RCAF is still in the throes of postwar organization; partly because the service, as presently planned, is more a training than operational organization.

There is an important difference here between this sort of service and the type of service which Britain feels it must have or which the United States is now planning to create in its recent huge air power appropriations. Whether Canadians may now want to raise their sights, as the U. S. Congress decided to do last week, is another question.

One important RCAF weakness is the lack of sufficient ground crew. In short the service is top heavy with flying personnel and "brass"; hasn't enough ground crew to balance the rest of the payroll. (Too much "brass" is probably a criticism that can be levied on all services and in all countries, especially after a great war. But it is sometimes hard to avoid in time of peace where there must be ability to expand rapidly on short notice.)

In the over-all recruiting picture, the three services are presently at about 80% of the present "target"; are about 60% of eventual "authorized" strength. (It will be remembered that the initial "authorization" for a defense force of 55,000 officers and men was cut back some time ago by 25%, to 42,000.) Total strength is now close to 35,000.

Within recent weeks there has been a lowering of educational standards for admission to the services. This is because the earlier high standard of junior matriculation was not getting results. Thus out of 31,700 persons who "approached" the services last year with a view to joining, there were only 9,240 enlistments. (Total strength of the services rose only very slightly, however.) In the first two and a half months of 1948 some 1,625 recruits were obtained—half of which joined the Army. The flow into the Army is said to be adequate to keep the schools full. This has not been true of either the Navy or the Air Force in recent months.

In addition, the services estimate their civilian "strength" at about 17,000 as at April 1. This would be a decline of over 2,000 from last year. Half the number are civil servants. The remainder are dockyard workers, watchmen, caretakers, construction workers, etc.

Are Forces Inadequate?

One recent criticism of the Canadian armed services is that Canadian manpower under arms is shockingly inadequate; that at present recruiting rates it would take 10 years to raise Canada's armed strength to a level comparable with that of the U. S. A.

The answer given to this criticism runs like this: that the Canadian armed services today are essentially a huge, technical training establishment; that until this "educational" organization was ready to teach and instruct there was no use filling up the ranks with unwanted personnel.

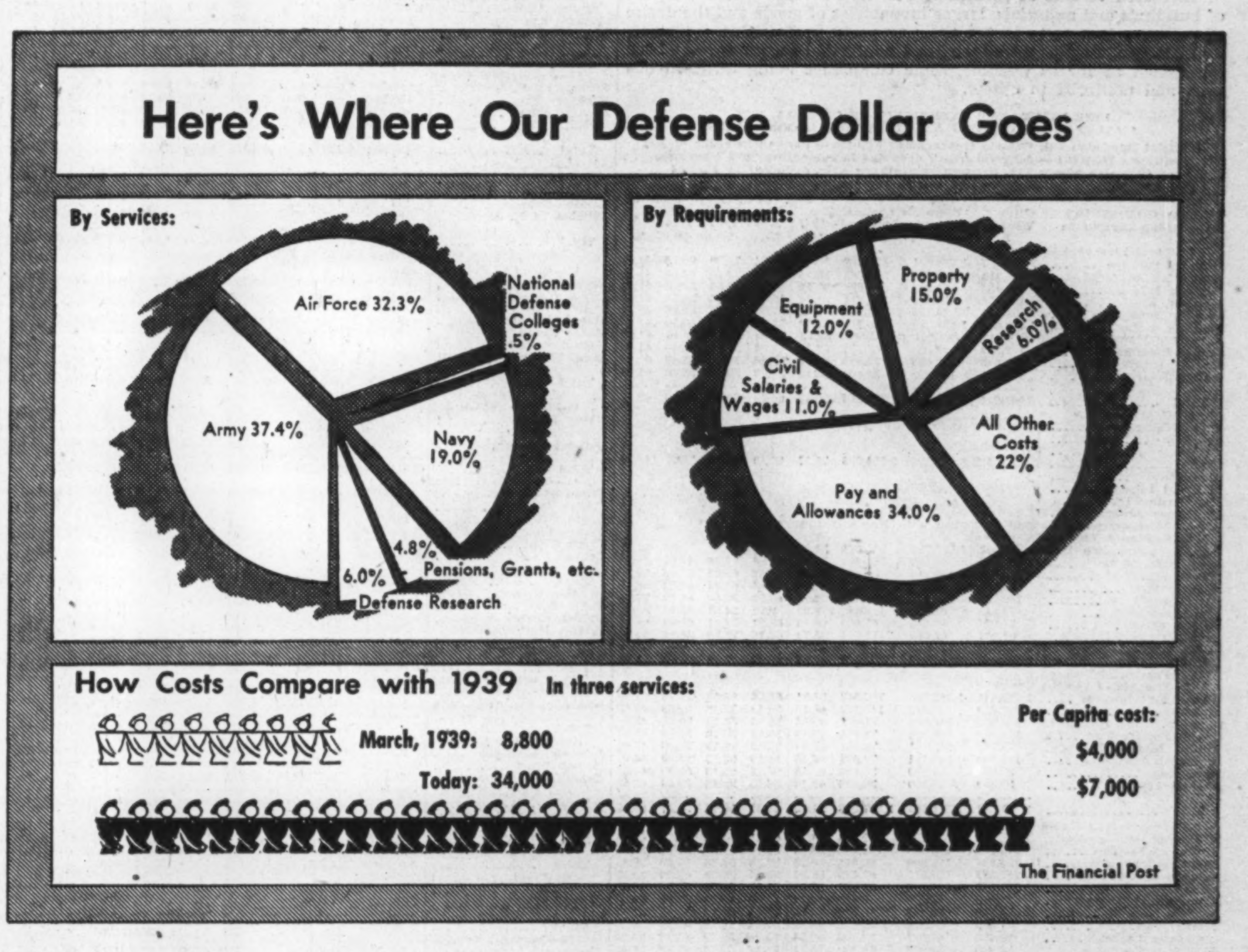
Just about now, it is claimed, the three services are ready to proceed with an adequate course of training. Accordingly, recruiting is now to be stepped up to bring personnel up to presently authorized strength.

One phase of this concept of the armed services as a vast educational establishment, is the recent reorganization of the national defense colleges at Royal Roads, B.C., and Kingston.

Coupled with this highly modern approach to the study of national security is the $16 millions sought for 1948-49 to carry on research and development through the Canadian Defense Research Board. Mr. Claxton said last January when he opened the NDC at Kingston:

"The NDC is another stage in the serious acceptance by Canada of its defense responsibilities in the postwar world. We learned by experience during that war, in resistance and attack, that while the modern enemy may have fierce and destructive weapons, the real power that endures and wins is a tight and undivided combination of the industrial and the military, the scientific and the strategic, the laboratory and the parade ground, the railway yards and the reinforcement camp, the sheltered man of ideas and the rugged man or arms."

We in Canada may not as yet be getting 100% value for our defense expenditure. But we have something to show for it.



How Our Defense Spending Compares

By KENNETH R. WILSON

In Canada, 9% of government spending goes for defense costs. We're spending $18.60 per capita or 2% of our national income.

This may look big to Canadian taxpayers who have to foot the $323 million bill contained in this year's estimates.

But the following table, prepared by The Financial Post from official figures, shows what other countries are doing.

Australia announced last year an expansive and expensive five-year plan for national defense. This is billed to cost that country £250 millions over this period or £50 millions ($161 millions) annually. Estimates tabled last year for the fiscal year 1947-48 state that costs in the first year of the plan will exceed the five-year average and are put down at £65.8 millions ($21.9 millions).

In the comparative figures attached, Australian costs are worked out both on the basis of estimates for the first year and the over-all five-year plan. A big part of the plan calls for expenditure on new aircraft carriers, antiaircraft projectiles, etc. On average, the commitments over the five-year period are expected to cost Australians $21 per capita.

When we come to the "big powers" the contrast is substantially greater.

New figures for 1948-49 show that Britain expects to spend $58.10 per capita on national defense. This is 23% of her total budget. It is 7.9% of her national income.

The U. S. Cost Comparison

United States figures vary substantially, depending on whether you take the amount which President Truman asked for in his January estimates, or the new enlarged figure for expanded air power approved by the House of Representatives last week.

The newer and large figures, which are likely to be the proper ones, show a per capita U. S. cost for 1948-49 of $88.80. This is 26.7% of combined federal and state budgets. It is 6.3% of national income.

In each case comparisons have been made with the total budgets of federal and state or provincial governments. Though these governments do not all make expenditure for defense, it is proper and necessary to include them for comparative purposes since in the U. K. there is only one government whereas in Canada there are 10 and in U. S. there are 49.

What conclusions should be drawn from these comparisons?

First: that Canada as a "middle power" does not and probably need not assume as great responsibility or cost as the two big democratic powers.

We are not in the front line of the cold war. We don't need to show our strength. And if we did, it wouldn't rate as a deterrent against world conflict as may be the case with Britain or especially the U. S. A.

Second: that Canada's defense expenditure at the present time is largely for a vast training organization.

It is when the armed services start buying new and fancy equipment that costs mount up. That is where most of the $3.2 billions voted last week as a future commitment for U. S. air power will go.

What may be ahead for Canada, now that we have our training and organization problems largely behind us is the decision whether we want to step up our national defense bill by buying a lot of new planes, guns, ships, etc. That will cost us plenty of money.

Anyway, there is plenty of room for argument and thought in the following comparisons.

PROPORTIONATE DEFENSE COSTS
(In Millions of Dollars)

	National Defense Budget	Total Budget (Incl. Fed. and Prov. or State)	National Income	Population (Millions)	Defense Costs as Proportion of: I Total Budget (%)	II National Income (%)	III Population (Per Capita) $
Canada	232	2,545	10,735	12.5	9.2	2.2	18.60
Australia	A-211.9	1,908	4,073	7.6	11.1	5.2	27.90
Australia	B-161.0	1,908	4,073	7.6	8.4	3.9	21.18
U. K.	2,791	11,992	35,343	48.0	23.2	7.9	58.10
U. S. (1)	11,025	46,071	202,600	144.0	24.0	5.4	76.50
U. S. (2)	12,800	47,871	202,600	144.0	26.7	6.3	88.80

NOTE—Defense costs and budget estimates are for 1948-49 fiscal years for Canada, U. K. and U. S.; and 1947-48 estimates for Australia. Conversion rates are: U. K. at $4.03; Australia at $3.22. National income figures, 1947.

—U. S. estimates show (1) the original budget estimates of Jan., 1948; (2) revised estimates of April 15 to include 1948-49 costs ($1.8 billions) of new $3.2 billions air power expansion.

—Australia, Line A represents estimated expenditure for first year of 5-year plan; Line B represents average expenditure per year.

Fire Insurance Premiums and Losses Up But Loss Ratio Is Lower Than in 1946

Fire insurance premiums written in Canada in 1947 totalled $93.3 millions, an increase of 26.33% over 1946, according to figures supplied by R. W. Warwick, Dominion superintendent of insurance and R. B. Whitehead, superintendent of insurance for Ontario. Total loss ratio on an earned basis was 54.21% compared with 58.41% in 1946. Losses while higher were not up as much relatively as premiums, which accounts for the lower loss ratio.

Increased volume of premiums written was due to higher values of buildings and materials, larger inventories of goods and the desire of property-owners to insure their property up to value.

In the following tables tariff and nontariff companies have been segregated as far as possible, some companies being tariff in one area and nontariff in others.

FIRE INSURANCE EXPERIENCE IN CANADA, 1947
ANALYZED BY GROUPS AND INDIVIDUAL COMPANIES

(Official Dominion and Ontario Government Figures — Ranked in order of Net Premiums Written) — All reinsurance deducted in computing "net" business of Canadian companies, licensed reinsurance only deducted in case of foreign and British companies.

BOARD COMPANIES (A)—Group Experience	Net Prems. Written $	Net Prems. Earned $	Net Claims Incurred $	1947 %	1946 %	1945 %	1944 %	1943 %
				Ratio of Claims Incurred to Premiums Earned				
1—Royal-Liverpool Group:								
Royal Insurance	2,056,727	1,709,631	889,269	52.02	66.94	70.20	60.79	44.20
Queen Ins. of Amer.	550,138	463,770	249,345	53.76	56.90	56.66	52.60	41.90
Hudson Bay	190,432	160,243	83,526	52.12	57.20	56.54	52.46	41.94
Newark Fire	131,652	110,968	57,424	51.74	56.66	58.23	50.73	41.68
Pioneer Insurance	107,118	90,137	46,963	52.12	57.20	56.53	52.46	41.94
Liverp'l & Lond. & Gl.	1,416,346	1,161,894	666,310	57.32	54.36	57.68	53.50	42.53
Liverpool-Manitoba	243,562	204,901	106,803	52.12	57.20	56.54	52.46	41.96
Globe Indemnity	152,189	128,063	66,752	52.12	57.20	56.54	52.46	41.94
Central Insurance	121,956	102,655	53,402	52.02	57.16	56.44	52.46	41.94
National-Liverpool	121,751	102,450	53,402	52.12	57.20	56.54	52.46	41.94
Total	5,091,714	4,234,722	2,275,216	53.73	60.26	62.90	55.96	42.97
2—Home Group:*								
City of New York, Franklin, Gibraltar, Home, Homestead, National Liberty, New Brunswick, Baltimore American	3,561,582	3,223,253	2,294,069	71.17	56.20	53.25	73.37	46.40
*All business in Canada reinsured with Home Insurance Co.								
3—London & Lancashire Group:								
Lon. & Lancashire Ins.	1,820,542	1,474,209	737,921	50.06	70.00	72.32	59.30	57.37
Law, Union & Rock	363,367	306,289	118,445	38.67	65.04	75.84	47.65	46.33
Merchants Fire*	169,335	109,541	86,050	78.56	41.56	49.27	42.46	37.28
Quebec Fire	149,520	122,210	75,932	62.13	56.65	64.75	62.53	56.46
Mercantile Fire	162,394	130,071	47,063	36.17	44.74	38.60	41.70	37.05
Hand-in-Hand*	73,512	67,069	115,548	172.28	9.02	38.97	24.97	34.49
Queen City*	52,217	45,655	31,400	68.78	86.32	72.41	48.48	61.57
Lond. & Lanc. G. & A.	61,217	42,980	11,061	25.74	42.16	72.78	36.72	29.04
Total	2,901,105	2,298,024	1,223,410	53.24	63.09	67.45	53.58	51.69
*Provincial licensed.								
4—Phoenix of London Group:								
Phoenix of London	1,612,491	1,348,785	713,643	52.91	63.96	66.03	52.48	61.59
Acadia	262,860	222,272	109,307	49.18	56.13	52.13	59.86	48.68
London, Guar. & Accid.	175,240	148,181	72,871	49.18	56.13	52.13	59.86	48.67
North Empire Fire	175,240	148,181	72,871	49.18	56.13	52.13	59.86	48.67
Union Marine Ins. Co.	175,240	148,181	72,871	49.18	56.13	52.13	59.86	48.67
Imperial Assurance	175,240	148,181	72,871	49.18	56.13	52.13	59.86	48.67
Columbia	87,620	74,090	36,436	49.18	56.13	52.13	59.86	48.65
United Firemen's	87,620	74,090	36,436	49.18	56.13	52.13	59.86	48.68
Total	2,751,551	2,311,961	1,187,306	51.35	60.57	59.77	55.67	55.66
5—Commercial Union Group:								
C'mercial Union Assur.	1,176,149	952,405	619,093	65.00	68.51	56.32	50.72	44.84
Union of London	371,669	306,409	153,442	50.08	50.14	52.38	45.29	39.56
Palatine Insurance	231,858	192,950	96,911	50.23	50.14	52.38	45.29	39.55
Canada Acc. & Fire	212,537	176,871	88,836	50.23	50.14	52.38	45.29	39.55
Ocean Acc. & Guar.	212,862	177,228	88,836	50.10	50.14	52.38	45.29	39.55
Commercial Union Fire	19,322	16,079	8,077	50.23	44.56	52.38	45.29	39.54
British General	96,606	80,396	40,380	50.23	50.14	52.38	45.29	39.56
North West Fire	77,288	64,316	32,333	50.27	50.15	52.36	45.29	39.58
American Central	78,496	64,947	32,303	49.74	50.14	52.39	45.29	39.55
British & European	38,990	32,216	16,152	50.14	50.14	52.39	45.29	39.54
California	40,556	32,478	16,152	49.73	50.14	52.38	45.29	39.54
Total	2,567,353	2,096,394	1,192,515	56.88	56.76	54.08	47.55	41.71
6—Sun Group:								
Sun Insurance	1,273,121	999,381	467,631	46.79	65.19	67.60	58.02	47.91
Imperial Insurance	230,171	186,898	105,238	56.36	66.77	57.83	69.23	50.90
Patriotic Assurance	190,126	156,824	112,816	71.94	52.47	42.93	49.92	67.54
Planet Assurance	161,119	142,370	74,134	52.07	72.69	62.54	47.26	57.05
London & County	119,439	103,756	47,113	45.41	25.65	60.10	47.03	21.87
Total	1,973,976	1,589,229	807,022	50.78	62.01	62.69	56.62	49.12
7—America Fore Group:								
Continental Insurance	1,011,786	759,519	464,842	61.20	60.40	48.78	59.68	45.66
Fidelity-Phenix of N.Y.	559,470	460,512	257,856	55.99	69.42	34.87	52.88	50.39
Niagara Fire	380,167	326,795	181,567	55.56	76.26	56.07	46.68	60.58
Maryland Insurance	......	......	......	....	....	102.25	27.70	78.78
First American	......	......	......	....	....	37.37	70.93	13.90
Total	1,951,423	1,546,826	904,265	58.46	66.53	48.96	53.99	50.03
8—British America Western Group:								
Western Assurance	762,312	605,722	277,248	45.77	50.69	53.12	50.79	42.47
British America	467,163	386,250	177,753	46.02	50.71	52.94	50.53	42.02
North River Ins.	342,144	192,825	93,210	48.34	69.66	70.30	67.27	59.48
British Empire Assur.	159,836	135,286	62,239	46.01	50.37	52.84	50.83	42.97
British Canadian	105,913	84,191	38,297	45.49	48.96	52.11	51.06	42.45
Imperial Guar. & Acc.	128,356	92,490	42,338	45.80	50.60	52.47	50.04	41.78
Total	1,915,724	1,496,774	691,105	46.17	52.63	54.91	52.41	43.97
9—Prudential Group:								
Prudential of England	1,673,852	1,340,912	924,316	68.95	67.69	71.36	80.80	53.91
Bee	238,104	163,456	116,862	71.49	96.64	72.66	80.40	64.37
Total	1,911,956	1,504,368	1,041,378	69.22	69.67	71.45	80.78	54.76
10—S. M. Elliott Group:								
Phoenix of Hartford	788,894	637,974	443,425	69.52	51.96	55.50	46.94	38.08
Connecticut Fire	347,289	280,318	161,665	57.67	50.97	69.11	41.54	38.10
Providence Washington	279,897	232,571	193,124	83.04	63.49	58.50	48.28	42.90
Westchester Fire	174,968	170,901	137,691	80.57	56.91	48.23	48.21	42.84
Reliance of Canada	175,154	141,340	81,512	57.67	50.97	69.10	42.06	31.12
Equitable Fire & Mar.	69,478	56,064	32,333	57.67	50.97	69.10	41.56	38.15
Total	1,835,780	1,519,068	1,049,780	69.11	54.26	71.49	45.47	38.75
11—Aetna Fire Group:								
Aetna Insurance	1,030,761	814,669	535,788	65.77	62.24	67.30	63.81	49.89
Standard Insurance	85,541	29,185	7,500	25.70	....	....	....	....
World Fire & Marine	418,421	307,643	155,153	50.43	70.95	71.86	47.14	78.40
Total	1,534,723	1,151,497	698,441	60.66	64.25	68.32	60.14	53.75
12—Norwich Union Group:								
Norwich Union	1,177,902	988,708	537,541	54.37	55.41	61.63	60.85	48.72
Canada Security	180,951	150,788	61,001	40.45	49.60	55.41	54.55	34.71
Eagle Fire	96,170	79,952	39,428	49.31	53.81	42.75	81.12	46.41
Total	1,455,023	1,219,448	637,970	52.32	54.56	59.56	61.33	46.63
13—Springfield Group:								
Springfield F. & M.	1,269,297	1,061,384	890,388	83.89	73.71	46.55	59.28	52.43
Michigan Fire	112,337	92,159	69,749	75.68	69.84	49.43	61.50	53.40
New England	28,084	23,040	17,437	75.68	69.84	49.43	61.51	53.40
Sentinel Fire	28,084	23,040	17,437	75.68	69.84	49.43	61.51	53.40
Total	1,437,802	1,199,623	995,011	82.94	73.26	46.88	59.54	52.54
14—Hartford Group:								
Hartford Fire	1,202,064	983,524	535,245	54.42	.24	50.29	56.88	49.21
Kan. City Fire & Mar.*	2,245	374	......	....	....	....	....	....
London-Canada	125,765	101,302	43,093	42.54	....	....	....	....
Citizens of N. J.	63,250	48,687	20,142	41.37	44.28	78.70	83.83	36.18
Total	1,393,324	1,133,887	598,480	52.78	55.61	51.59	58.92	47.91
*Reinsures its business with Hartford Fire.								
15—Royal Exchange Group:								
Royal Exchange	895,613	741,150	452,798	61.09	56.91	44.24	49.79	37.56
Car & General	196,114	161,913	88,388	54.59	51.40	44.75	48.42	42.14
National Provincial	97,557	80,956	44,194	54.59	51.40	44.75	48.42	42.14
State Assurance	97,557	80,956	44,194	54.59	51.40	44.75	48.42	42.14
Motor Union	97,557	80,956	44,194	54.59	51.40	44.75	48.42	42.14
United British*	......	......	......	....	....	....	....	....
Local Government*	......	......	......	....	....	....	....	....
Total	1,383,398	1,145,931	673,768	58.80	54.90	44.43	49.29	39.26
*Reinsures its net business with Royal Exchange.								
16—North British & Mercantile Group:								
North British	1,013,000	871,536	513,555	58.93	50.40	50.31	58.88	46.73
Occidental Fire	162,447	119,249	64,850	54.38	51.80	54.54	51.25	41.84
Railway Passengers	146,053	113,954	55,856	49.02	35.38	38.63	64.96	27.05
Total	1,321,500	1,104,739	634,261	57.41	49.15	49.72	58.53	44.55
17—Union of Canton Group:								
Union of Canton	582,873	459,147	265,255	57.77	72.30	64.99	50.94	56.77
British Traders	340,009	267,835	154,732	57.77	72.30	64.99	50.94	57.82
South British	175,213	135,640	67,985	50.12	63.42	80.00	37.52	65.02
British Oak	80,294	71,714	48,601	67.77	55.68	55.27	47.63	85.21
China Fire	48,573	38,262	22,105	57.77	72.30	64.98	50.94	57.81
Beaver Fire	48,634	38,039	14,607	38.40	54.01	59.72	25.96	38.80
Total	1,275,596	1,010,637	573,285	56.73	69.13	65.87	47.97	60.72
18—Eagle Star Group:								
Eagle Star	818,541	589,509	439,124	74.49	82.03	59.53	63.80	46.13
British Crown Assur.	245,537	203,847	97,714	47.93	54.13	52.60	68.53	60.50
British Northwestern	163,691	135,867	65,390	48.13	55.96	52.69	57.79	51.01
Security National	40,923	33,967	16,284	47.94	56.31	52.50	42.30	61.22
Total	1,268,692	963,190	618,512	64.21	71.97	57.04	63.91	53.01
19—Guardian Group:								
Guardian Assurance	1,104,858	922,596	520,702	56.44	70.27	44.75	52.94	44.74
Guardian Ins. of Canada	136,096	112,107	53,502	47.72	62.86	44.94	45.27	45.09
Total	1,240,954	1,034,703	574,204	55.49	73.00	44.77	52.09	44.78
20—London Assurance Group:								
London Assurance	775,383	645,866	316,244	48.96	52.76	57.06	51.18	45.80
British Law	89,659	63,816	43,074	67.50	33.74	50.36	85.12	44.38
Guildhall Ins.	199,802	164,184	81,131	49.41	70.65	50.84	55.26	56.82
Total	1,064,844	873,866	440,449	50.40	54.95	55.44	54.47	47.52
21—Great American Group:								
Great American	911,810	737,645	427,392	57.94	55.02	53.76	59.20	58.55
American Alliance	130,070	93,507	51,124	54.67	56.89	52.92	59.37	55.93
Total	1,041,880	831,152	478,516	57.57	55.21	53.68	59.22	58.31
22—Employers' Liability Group:								
Employers' Liability	833,049	671,090	264,168	39.36	57.33	53.37	50.17	37.27
Merchants Marine	206,194	184,898	103,160	55.79	49.88	46.62	45.59	44.39
Total	1,039,243	855,988	367,328	42.91	55.71	52.35	49.19	38.64
23—Northern Group:								
Northern Assurance	567,786	466,584	309,541	66.34	84.63	47.46	46.53	41.07
Scottish Metropolitan	168,437	130,740	96,638	73.92	51.81	45.36	37.71	30.70
Royal Scottish	115,704	91,412	47,356	51.81	66.84	29.26	45.62	46.60
London & Scottish	60,625	50,911	11,510	22.63	60.82	33.04	50.87	101.56
World Marine & Gen.	107,831	84,297	50,389	59.78	65.22	81.41	46.75	25.33
Total	1,020,383	823,944	515,443	62.56	74.10	47.54	45.43	43.38
24—National Fire of Hartford Group:								
Nat. Fire of Hartford	793,214	542,236	418,985	77.27	84.86	45.33	61.02	38.43
Transcontinental	163,960	86,906	53,781	61.88	21.29	104.40	221.57	53.48
Total	957,174	629,142	472,766	75.14	....	....	....	....
25—Century Group:								
Century Insurance	392,142	185,664	178,652	96.22	80.90	90.07	53.50	30.08
Anglo-Scottish	245,831	291,445	106,520	36.55	59.60	60.55	65.40	47.97
Pacific Coast Fire	137,144	106,793	58,437	54.72	66.02	60.93	54.51	40.85
Southern Insurance	75,238	57,585	26,606	46.20	78.55	87.36	46.10	42.03
Total	860,355	641,487	370,215	57.71	71.64	75.32	56.73	38.63
26—Security, American & Fire Assoc. Group:								
Fire Assoc. of Phil.	217,898	176,943	102,083	57.69	44.73	72.22	45.57	29.11
American Insurance	314,796	237,699	128,500	54.06	58.78	72.56	46.11	28.08
Security of New Haven	245,317	186,551	143,881	77.13	51.75	58.54	52.10	45.73
Total	778,011	601,193	374,464	62.29	52.07	68.24	47.63	33.15
27—E. de Grandpre Group:								
New Hampshire Fire	447,568	371,015	220,392	59.40	66.38	70.53	57.25	64.43
Granite State Fire	204,552	155,812	114,055	73.20	68.34	78.46	61.77	97.03
Total	652,120	526,827	334,447	63.48	66.90	72.33	58.31	70.90
28—Atlas Group:								
Atlas Assurance	571,385	499,552	200,868	40.21	72.80	46.51	50.78	45.66
Essex & Suffolk	59,315	52,144	18,930	36.30	53.76	43.86	46.94	31.15
Total	630,700	551,696	219,798	39.84	70.97	46.25	50.39	44.00
29—Firemen's Group:								
Firemen's Fund	458,079	380,594	232,837	61.18	70.65	67.85	69.01	67.08
Home Fire & Marine	171,915	138,385	102,664	74.19	45.53	50.32	26.82	64.62
Total	629,994	518,979	335,501	64.65	63.97	63.74	58.26	66.56
30—Alliance Group:								
Alliance Assurance	626,792	550,287	194,408	35.33	61.84	46.26	57.64	40.15
Westminster Fire Office*	......	......	......	....	....	....	....	....
Total	626,792	550,287	194,408	35.33	61.84	46.26	57.64	40.15
*This company reinsures its business with Alliance Assurance.								
31—St. Paul Group:								
St. Paul Fire & Marine	457,518	376,818	268,098	71.15	54.98	72.66	62.84	40.40
Mercury Insurance	157,024	135,057	68,493	50.71	43.37	59.76	62.42	47.59
Total	614,542	511,875	336,591	65.76	51.69	68.71	62.74	42.47
32—Scottish Union Group:								
Scottish Union	557,293	436,060	346,694	79.51	75.60	54.47	41.31	53.45
Central Union	44,927	29,402	13,811	46.97	68.97	35.21	35.79	42.25
Total	602,220	465,462	360,505	77.45	74.72	53.60	40.97	52.93
33—Pearl Group:								
Pearl Assurance	470,508	416,549	271,166	65.10	35.02	69.70	65.60	29.91
Eureka-Security F. & M.	112,511	79,540	48,485	60.96	45.71	49.51	26.56	31.93
Total	583,019	496,089	319,651	64.70	35.99	67.60	61.85	30.08
34—Muir Beddal (Canada) Ltd. Group:								
Legal & General	340,457	279,610	151,760	54.28	54.86	67.15	69.06	52.91
Urbaine	......	......	......	....	4.18	47.61	48.36	111.42
New Zealand	234,992	181,224	109,670	60.52	67.00	50.02	61.76	33.42
Total	575,449	460,834	261,430	56.73	59.39	61.22	66.44	58.81
35—Dale & Company Group:								
National Union	183,471	156,071	118,873	76.17	55.63	43.94	51.21	28.89
Hanover Fire	356,570	269,648	192,448	71.37	79.28	62.84	69.61	39.04
Total	540,041	425,719	311,321	73.13	69.65	54.59	60.12	33.71
36—Yorkshire Group:								
Yorkshire Insurance	469,279	388,888	201,531	51.82	72.42	64.12	76.74	53.62
London & Provincial	63,312	55,161	23,777	43.10	82.45	55.74	35.63	50.54
Total	532,591	444,049	225,308	50.74	73.76	63.46	70.87	53.16
37—Caledonian Group:								
Caledonian	446,925	339,513	245,481	72.30	63.12	42.26	53.67	39.52
Caledonian-American	68,737	57,648	27,098	47.01	59.07	38.73	35.26	27.19
Total	515,662	397,161	272,579	68.63	62.50	41.71	50.84	37.64
38—W. L. Essen Group:								
Sea Insurance	239,460	185,817	105,447	56.75	63.17	66.71	81.26	29.93
Scottish Ins.	223,085	168,962	99,064	58.63	61.45	81.89	71.91	34.41
Total	462,545	354,779	204,511	57.64	62.40	73.21	77.39	31.64
39—General Security:								
General Security	217,810	210,375	99,022	47.07	57.03	54.89	65.96	62.78
Phenix Fire of Paris	185,942	139,791	67,729	48.45	64.93	44.60	60.17	63.89
Total	403,752	350,166	166,751	47.62	59.98	50.89	63.80	63.22
40—Canadian Surety Group:								
Canadian Surety Co.	197,539	170,227	88,720	52.12	49.71	53.60	46.98	58.31
Camden Fire	166,063	141,206	67,680	47.93	39.27	94.27	57.78	50.93
Total	363,602	311,433	156,400	50.22	45.05	71.97	51.86	54.90
(B) 41—Individual Board Companies:								
Travelers Fire	414,811	407,670	182,191	44.69	44.08	65.57	37.93	76.92
Queensland	470,258	360,957	238,390	66.04	62.76	....	46.70	20.15
United States Fire	483,944	397,929	262,954	66.08	61.04	50.14	68.94	53.74
Glens Falls	218,520	213,337	158,821	74.45	52.61	44.69	53.62	41.90
New York Underwriters	283,299	185,687	94,436	50.86	38.59	53.32	55.81	42.34
Agricultural Co. of N. Y.	127,044	137,980	51,103	37.04	71.76	80.49	81.93	62.96
Svea	52,473	41,501	17,456	42.06	65.60	54.37	44.82	87.87
Boston Ins.	101,957	85,135	60,602	71.18	77.38	50.19	64.46	48.53
Total Individ. Bd. Cos.	2,102,306	1,830,196	1,065,953	58.24	61.83	49.59	49.58	47.33
Total Board Cos.	55,280,401	45,236,608	26,454,343	58.48	60.83	57.71	57.31	48.33
NONBOARD COMPANIES (A)—Group Experience:								
42—North America Group:								
Insurance Co. of N. A.	1,751,547	1,574,084	1,144,667	72.72	78.88	63.93	70.55	48.00
Alliance Ins.	940,623	827,838	599,710	72.44	73.30	121.32	175.10	97.44
Philadelphia F. & Mar.	251,045	229,774	118,956	51.77	47.56	66.77	96.19	37.29
National Security	......	......	......	....	....	50.03	61.14	19.07
Total	2,943,215	2,631,696	1,863,333	70.80	73.99	82.87	105.64	58.21
43—Shaw & Begg Group:								
Wellington	434,189	360,315	183,475	50.92	55.79	47.29	44.06	51.72
Federal Fire	404,469	334,398	145,453	43.50	54.67	50.30	42.86	46.44
Merchant's Fire Assur.	216,802	182,066	80,587	44.26	64.24	59.37	47.77	57.47
Pacific Fire	118,735	106,157	50,665	47.73	47.19	63.31	....	28.37
Consolidated	254,860	199,399	93,611	46.95	53.83	45.64	43.24	40.59
Millers National	119,549	122,963	63,446	51.60	57.58	45.62	45.26	56.96
Lumbermen's Ins.	265,146	220,762	121,256	54.93	73.33	62.68	50.75	78.65
Bankers & Shippers	104,255	93,211	44,486	47.73	56.02	63.31	38.91	70.59
Jersey Insurance	66,608	59,550	28,422	47.73	47.19	63.31	38.96	70.60
Total	1,984,613	1,678,821	811,401	48.33	57.36	53.19	48.74	51.23
44—Massie & Renwick Group:								
Dominion Fire	443,016	378,722	152,222	40.19	45.14	43.99	40.99	44.64
Firemen's Ins.	400,454	340,648	174,028	51.09	99.90	96.39	48.97	67.13
Northwestern National	208,661	169,911	63,441	37.34	42.59	50.76	39.92	54.94
National Ben Franklin	234,262	192,874	71,207	36.92	43.30	40.67	73.89	44.43
Ensign Insurance	89,817	80,101	21,579	26.94	36.13	39.27	40.48	34.40
Girard Fire & Marine	35,999	30,754	15,439	50.20	29.72	19.99	47.54	41.31
Total	1,412,209	1,193,010	497,916	41.74	58.03	57.64	47.88	50.80
45—J. E. Clements Inc.:								
Fire Ins. of Canada	463,991	409,135	184,833	45.18	53.41	50.97	47.64	56.08
Nationale of Paris	297,209	227,678	104,926	46.09	67.97	66.40	51.50	55.44
Excess	78,953	72,302	48,884	67.61	54.76	92.87	32.46	80.39
Total	840,153	709,115	338,643	47.76	58.05	60.15	47.44	58.20
46—General Accident Group:								
General Acc. F. & L.	484,103	399,300	174,554	43.72	46.44	61.45	50.70	37.55
General Acc. of Canada	208,657	152,905	80,417	52.59	69.44	31.46	35.11	34.31
Scottish Canadian	85,069	76,657	36,902	48.14	52.36	48.00	41.32	23.54
Total	777,829	628,862	291,873	46.41	52.71	52.60	45.86	34.97

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Central Union	32	..
Citizens of N.J.	14	..
China	17	..
Cotton & Wool Mfrs.	57	..
City of N.Y.	2	..
Columbia	4	..
Clare Mut.	..	58
Commerce Mutual	58	44
Comm. Gen. Mex.	54	..
Comm. Casualty	..	44
Comm. Union Fire	5	..
Comm. Union Assur	5	3
Connecticut Fire	10	..
Consolidated	43	30
Continental Cas.	..	44
Continental Ins.	7	29
Cornhill	47	37
Cumber. Farm. Mut.	58	..
Dominion Fire	44	36
Dom. Gen.	52	32
Eagle Fire	10	7
Eagle Star	18	..
Economical Mut.	55	44
Emp. Liability	22	8
Employers' Reins.	..	44
Equitable F. & M.	10	..
Equitable Fire	58	..
Ensign	44	..
Eureka Sec.	33	19
Excess	45	..
Essex & Suffolk	28	..
Fall River	57	..
Federal Fire	43	30
Federal Ins.	54	38
Firemen's Mut.	57	..
Fidelity of Can.	..	4
Fidelity of U.S.	..	44
Fidelity-Phenix	7	29
Fire Assoc. of Phil.	26	28
Firemen's Fund	29	29
Fire Ins. of Can.	45	..
Firemen's Ins.	44	..
First American	7	..
First Nat.	54	..
Fireproof-Sprink	59	..
Fonciere Fire	51	..
Franklin	2	22
Gen. Acc. F. & L.	46	31
Gen. Acc. of Can.	46	31
Gen. Cas. of Amer.	..	39
Gen. Exchange	..	44
Gen. of America	54	39
Gen. Reins.	..	42
Gen. Security	39	29
Gibraltar	2	22
Girard	44	..
Glens Falls	41	29
Globe & Rep.	..	..
Globe Indem.	1	6
Gore Dist.	55	44
Grain Ins & G.	54	..
Granite State	27	..
Great Amer. Ind.	..	25
Great Americ. Ins.	21	25
Guardian Assur.	19	2
Guardian Ins.	19	2
Guildhall	20	16
Hardware Mut.	56	43
Hartford Acc.	—	9
Hartford Fire	14	9
Halifax I.	54	44
Hand-in-Hand	3	12
Hanover	35	..
Helvetia	54	..
Home Assur. Can.	54	44
Homestead	2	22
Home Fire & Mar.	29	..
Hastings F. & A.	58	44
Home Insurance	2	22
Home Indemnity	..	22
Hudson Bay	1	..
Imperial Ass'ce.	4	..
Imperial Guar.	8	1
Imperial Ins.	6	18
Indemnity Ins. N.A.	..	41
Indiana Lumber	58	..
Individual Under	59	..
Ins. Co. of N.A.	42	41
International	54	..
Jersey	43	..
Kansas City	14	9
King's Mutual	58	..
Law, Union & Rock	3	12
Legal & Gen.	34	29
Liberty Mutual	..	44
Liverpool & L. & G.	1	6
Liverpool Man.	1	6
Lloyd's	62	44
London-Can.	14	9
London & County	6	18
Lon. & Lan. G&A	3	12
Local Govt.	15	..
London & Lanc. Ins.	3	12
London & Prov.	36	20
London & Scottish	23	10
London Assur.	20	16
Lumber Mut. Mans.	58	..
London Guar.	4	5
London-Edin	..	44
Lumber M. of Boston	58	..
Lumber Mu. Cas.	..	34
Lumber Und. All.	60	..
Lumbermen's Ins.	43	..
Manufacturers Mut.	57	..
Marine	..	38
Maryland Cas.	..	29
Merchants F. Assur.	43	..
Maryland Ins.	7	..
Merchants & Mfr.	50	..
Mercantile Fire	3	..
Merchants Fire Ins.	3	12
Merch. Marine	22	8
Mercury	31	24
Metrop. Cas.	..	36
Metrop. Fire	53	..
Metrop. Int. Ins.	59	..
Mich. Fire	13	26
Millers National	43	..
Millowners M. Iowa	58	..
Milwaukee	54	44
Mut. Imp.	56	43
Miss & Rouville	58	44
Motor Union	15	15
Monument	47	37
Nat. General	58	44
Nat. Liverpool	1	..
Nat. of Paris	45	..
Nat. Ben Franklin	44	36
National Retailers	54	34
Nat. Fire of Hart.	24	23
Nat. Liberty	2	22
Nat. Prov.	15	..
National Sec.	42	..
Nation Un. Fire	35	29
Newark	1	6
New Brunswick	2	..
New Hampshire	27	29
New Zealand	34	44
New England	13	26
Niagara Fire	7	29
Nordisk Rein.	54	..
Norwich Un.	12	7
Northeastern	53	..
North Star	54	42
North River	8	..
North British	16	14
Northern Assur.	23	10
North Empire	4	..
N.Y. Fire	50	..
N.Y. Recip.	59	..
N.Y. Under	41	29
N.W. Cas.	..	40
N.W. Fire	5	..
N.W. Mutual	58	40
N.W. National	44	36
Ohio Far. Ind.	..	..
Occidental	16	14
Ocean Acc.	5	3
Ohio Farmers Ins.	58	44
Ohio Farmers Ind.	..	44
Pac. Coast Fire	25	21
Pac. Fire	43	..
Palatine	5	3
Patriotic	6	18
Pearl	33	19
Perth Mut.	55	..
Penn. Lumber	58	..
Phila. Mfrs.	..	57
Phila F. & Mar.	..	42
Phinix of Paris	39	29
Phoenix of Hart	10	..
Phoenix of London	4	5
Pictou County Mut.	58	..
Pilot	54	44
Pioneer	1	..
Planet Assur.	6	..
Pool	54	..
Port La Prairie	58	..
Protection Mut.	57	..
Prov. Washington	10	20
Provincial Ins.	47	37
Prudential Assur.	9	29
Providence Fire	54	..
Quebec Fire	3	..
Queen	1	6
Queen City	3	..
Queensland	41	20
Railway Pass	16	14
Retail Lumber	58	..
Reliance	10	..
Rhode Island	..	44
Royal Exchange	15	15
Royal Ins.	1	6
Royal Scottish	23	..
Scot. Canadian	46	31
Scot Metrop.	23	10
Sask. Mutual	58	44
Service Fire	..	29
Scottish Ins.	38	..
Scottish Union	32	29
Security N.H.	26	28
Security Nat.	18	..
Sentinel	13	..
Sea	38	29
South Brit.	17	..
Southern	25	21
Standard	11	..
Springfield	13	26
Sterling	64	..
Stanstead & Sh.	58	..
State Assur.	15	44
State Farm Mut.	..	..
St. Paul Fire	31	24
St. Paul Mercury	..	24
Sun	6	18
Svea	41	..
Switz Gen.	54	44
Tor. Gen.	48	33
Trans-Contl.	24	23
Travelers Fire	41	11
Travelers Ind.	..	11
Union Assur.	5	3
Underwriters E.	60	..
Union of Canton	17	13
Union of Paris	..	..
Union F. A. & G.	54	44
Union Marine	4	5
United Nat.	..	25
United Firemen's	4	..
United Mut.	58	44
United British	15	..
United Pac. Ins.	..	44
Unity F.	54	..
Urbaine	34	..
U.S. Fid. & Guar.	..	4
U.S. Fire	41	29
U.S. Guar.	..	38
Victory	54	..
Warner Recip.	61	..
Waterloo Mut.	55	..
Wawanesa	58	44
Wellington	43	30
Western	8	1
Westchester Fire	10	..
Westminster Fire	30	..
What. Cheer Mut.	57	..
Worcester Mfrs.	57	..
World Marine	23	10
World F. & Mar.	11	27
Yorkshire	36	20
Zurich	..	44

BOARD COMPANIES (A)—Group Experience	Net Prems. Written $	Net Prems. Earned $	Net Claims Incurred $	1947 %	1946 %	1945 %	1944 %	1943 %
				Ratio of Claims Incurred to Premiums Earned				
47—Willis Faber Group:								
Provincial Ins.	403,427	343,107	179,219	52.23	52.95	57.97	72.91	57.66
Monument	79,642	62,023	28,922	46.63	86.85	63.80	....	...
Cornhill Ins.	279,011	240,096	122,511	51.03	68.60	58.87	67.47	68.21
Total	762,080	645,226	330,652	51.25	59.39	58.34	70.69	62.03
48—Canadian General Group:								
Canadian General	386,348	317,240	167,333	52.75	53.95	53.88	55.68	42.41
Toronto General	316,103	259,560	136,909	52.75	53.95	53.88	55.66	42.41
Total	702,451	576,800	304,242	52.75	53.95	53.88	55.67	42.41
49—Canadian Fire Group:								
Canadian Fire	421,866	356,839	208,855	58.53	62.59	40.44	41.06	26.50
Canadian Indemnity	225,866	190,743	117,371	61.53	59.07	49.11	45.10	34.95
Total	647,732	547,582	326,226	59.58	61.48	43.00	42.12	28.69
50—Correen & Reynolds Group:								
American Equit. of N.Y.	172,193	332,412	199,036	59.88	63.99	100.70	54.06	51.86
New York Fire	277,095	286,165	152,772	53.39	81.04	64.33	54.07	50.80
Merchants & Manufac.	192,262	198,165	114,721	57.89	70.19	66.92	79.18	51.59
Total	641,550	816,742	466,529	57.12	70.46	81.03	60.83	51.45
51—Perrin Group:								
La Fonciere	271,261	196,122	114,807	58.54	72.55	56.86	49.48	49.37
Canadian Alli.	329,131	249,833	132,316	52.96	64.62	51.03	65.06	53.04
Total	600,392	445,955	247,123	55.41	67.56	52.95	70.60	53.19
52—Dominion General Group:								
Dom. of Canada Gen.	295,617	247,624	118,339	47.79	42.34	51.08	41.28	40.10
Casualty Co. of Canada	73,873	63,819	23,295	36.50	32.36	44.40	40.61	37.23
Total	369,490	311,443	141,634	45.48	40.31	49.64	41.14	39.56

(Continued on page 36)

ATLAS
ASSURANCE COMPANY, LIMITED
OF LONDON, ENGLAND
ESTABLISHED 1808

Fire — Use and Occupancy — Rent — Burglary — Public Liability
Accident — Plate Glass — Automobile — Inland Transportation — Personal Property

"Let Atlas Carry the Burden"

HEAD OFFICE FOR CANADA
414 ST. JAMES ST., MONTREAL
DONALD J. DUNLOP, Manager for Canada
P. DOUGLAS GARTON, Asst. Manager

APPLICATIONS FOR AGENCIES DESIRED

PASSING ON THE TORCH

Our Annual FIRE Wastage looks like burning zeal — as if there were some misunderstanding about "passing on the torch".

Are your home and place of business understandingly safeguarded?

THE ROYAL-LIVERPOOL INSURANCE GROUPS
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(The Utmost in Good Faith)

FOR over one hundred years the "British America" and "Western Assurance" group of Companies have been faithfully serving the public, providing indemnity for their policyholders for—

Loss of property on Land, Sea and in Air,
Loss of profits and Income,
Liability to third parties under common or statute law.

During this period, every just claim has been faithfully discharged; the total of such claims to the end of 1947 amounting to the sum of $253,799,800.

THE WESTERN ASSURANCE COMPANY — THE BRITISH AMERICA ASSURANCE COMPANY
TORONTO - CANADA

	The Western Assurance Company — Balance Sheet — December 31st, 1947	The British America Assurance Company — Balance Sheet — December 31st, 1947
ASSETS		
Cash in Banks	$ 4,023,286.82	$ 1,748,908.06
Securities	12,489,964.56	8,241,854.43
Other Assets	3,267,322.30	1,269,132.48
TOTAL ASSETS	$19,780,573.68	$11,259,894.97
LIABILITIES		
Provision for Unpaid Claims	$ 4,383,071.29	$ 2,258,682.65
Reserve for Unearned Premiums	4,621,337.43	3,046,352.66
Other Liabilities	4,821,301.93	1,631,289.98
TOTAL LIABILITIES	$13,825,710.65	$ 6,936,325.29
Capital Stock	$1,400,000.00	$ 750,000.00
Shareholders' Surplus	4,554,863.03	3,573,569.68
Surplus for Protection of Policyholders	5,954,863.03	4,323,569.68
	$19,780,573.68	$11,259,894.97

BOARD OF DIRECTORS
G. STUBINGTON (President and Managing Director)
GRAHAM MORROW (Vice-President)
E. A. Brownell — John L. McCarthy — Wilfred M. Cox — W. J. Hastie
S. H. Logan — W. E. Meikle — W. M. O'Connor — Sir George B. Morton, O.B.E., M.C.
G. A. MORROW, Chairman of the Board
Kenneth Thom (General Manager) — K. M. Pringle — Henry J. Wyatt — Hon. Leighton McCarthy, P.C., K.C.

Creed of Progress
We believe in giving Service guaranteeing Security and Assuring the benefits from All Classes of Insurance
A.D. 1720

THE LONDON ASSURANCE
(Incorporated A.D. 1720)
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THE BRITISH LAW INSURANCE CO. LIMITED
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469 St. John St., Montreal
FIRE - CASUALTY - INLAND MARINE

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GRANITE STATE FIRE INSURANCE CO.
Canadian Department
276 St. James St. West, Montreal

THE BEST BACKGROUND A MAN CAN HAVE — ADEQUATE INSURANCE

One man's possessions differ from another man's. You may be a family man owning your own home, driving your own car. Your neighbor on the corner drives a car, too—but he and his wife are childless and live in a rented apartment.

Each of you are faced with the possibility of loss from a multitude of hazards. Fire may threaten your home. Your neighbor might suffer a burglary. To a certain extent, each of you risk comparable hazards—but there are risks *you* run and risks *he* runs which are different.

That's where your Norwich Union agent comes in. It's his job to determine what is *adequate insurance* for you . . . and what is *adequate insurance* for your neighbor. Before *you* insure, see the Norwich Union agent.

How much protection does your family need?
How much would it cost to complete the education of your children? How much money would your wife need to run your home? They're not problems today—but they may be *desperate* problems some day. Let your Norwich Union Life agent help you anticipate these problems by working out a program of *adequate insurance* now.
Splendid opportunities available for Life Managers and Representatives in various parts of Canada.

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THE BEST BACKGROUND A MAN CAN HAVE — ADEQUATE INSURANCE

THE GUARDIAN
Insurance Company of Canada
HEAD OFFICE: - MONTREAL
Incorporated 1911

CONDENSED BALANCE SHEET—31st December 1947

ASSETS

Cash on hand and in Bank		$ 376,215.80
Agents' Balances receivable		536,710.14
Accrued Interest		30,242.11
Due from Reinsurance Companies		5,899.36
Other Assets		34,871.16
Investments—Book Value (Market Value—$3,962,021.67)		3,715,947.10
		$4,699,885.67

LIABILITIES

Outstanding Claims	$1,177,370.13	
Less: Re-Insured	285,435.69	
		$ 891,934.44
Due to Other Companies		53,923.62
Taxes and Other Liabilities		70,698.51
Dividend payable (undeclared)		46,875.00
Premium Reserve		1,268,655.29
Reserve for Unlicensed Reinsurance		410,323.06
Special Guarantee Reserve		13,414.02
Capital Paid in	375,000.00	
General Reserve Fund	1,175,000.00	
Surplus	394,061.71	
		1,944,061.71*
		$4,699,885.67
*Additional Protection for policyholders		$1,944,061.71
Income for 1947:		
Premiums less reinsurance	$2,757,271.18	
Interest and Dividends	119,982.64	
		$2,877,253.82

DIRECTORS
LT.-COL. W. H. CLARK-KENNEDY, V.C., C.M.G., D.S.O., *President*
J. V. OWEN, *Vice-President*
LIONEL O. P. WALSH, *Vice-President*
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INSURANCES TRANSACTED
Fire, Accident and Sickness, Employers' Liability, Public Liability, Burglary, Automobile, Fidelity Guarantee, Surety, Plate Glass, Steam Boiler, Machinery, Explosion, Sprinkler Leakage, Inland Transportation, Personal Property Floater.

All Policies Guaranteed by Guardian Assurance Company Limited of London, England
ESTABLISHED 1821

Engravers and Printers
of Bank Notes, Bonds and Stock Certificates

BRITISH AMERICAN BANK NOTE COMPANY
LIMITED

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975 Gladstone Avenue
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The Old Canadian Company — Established 1866

HOWARD W. PILLOW, *Chairman of the Board*
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G. HAROLD BURLAND, *Secretary-Treasurer*

Automobile Insurance Premiums Up 43% Higher Claims Bring Rise in Loss Ratio

Automobile insurance premiums written in Canada by Dominion and provincial licensed companies were almost 43% higher than in 1946.

One of the main reasons for the increase was the amendment to the highway financial responsibility laws in Ontario especially, which caused many uninsured persons to insure and others to increase their insurance. Increased costs of accidents due to greater expense in making repairs, paying for physical injury, etc., were also a factor.

While premiums were higher, losses also increased and the total loss ratio rose from 50.84% to 51.23%.

In the following tables the division of companies into tariff and nontariff groups is somewhat arbitrary because some companies which are tariff in one territory may be nontariff in another.

AUTOMOBILE INSURANCE EXPERIENCE, 1947
ANALYZED BY GROUPS AND INDIVIDUAL COMPANIES
(Official Dominion and Provincial Government Figures — Ranked in order of Net Premiums Written)

BOARD COMPANIES (A)—GROUP EXPERIENCE.	Net Prems. Written $	Net Claims Incurred $	Ratio of Claims Incurred to Premiums Written 1947 %	1946 %	1945 %	1944 %	1943 %
1—British-America Western Group:							
Western Assur.	1,347,212	819,342	60.82	55.83	60.34	63.24	55.44
British America	782,302	448,490	57.32	48.78	61.17	65.25	53.08
British Empire	435,465	250,490	57.52	55.84	56.21	62.40	53.69
Imperial Guar. & Acc.	404,154	241,377	59.72	54.27	59.44	62.53	50.96
British Canadian Ins.	298,591	189,808	63.57	51.53	59.30	62.21	54.23
Total	3,267,724	1,949,507	59.66	55.87	59.86	63.50	53.98
2—Guardian Group:							
Guardian Ins.	1,792,705	1,037,160	57.85	51.84	57.71	53.37	57.68
Guardian Assurance	117,936	50,359	42.70	22.60	....	....	....
Total	1,910,641	1,087,519	56.92	51.44	57.67	53.34	57.64
3—Commercial Union Group:							
Ocean Accident	720,342	316,879	43.99	48.04	45.24	44.98	35.55
Canada Acc. & Fire	367,638	161,958	44.05	48.04	45.36	44.98	35.55
Commer. Union Assur.	222,191	94,041	42.32	50.00	42.19	40.51	39.82
British General Ins.	127,864	56,334	44.06	48.04	45.36	44.98	35.55
Union Assurance	95,906	42,248	44.05	48.04	45.36	44.90	35.55
Palatine Insurance	79,921	35,208	44.05	48.04	45.36	44.97	35.55
Total	1,613,862	706,668	43.79	48.31	44.86	44.36	36.14
4—U. S. Fidelity Group:							
U. S. Fidelity & Guar.	1,036,470	695,706	67.12	51.27	59.56	60.51	30.42
Fidelity of Canada	399,702	270,036	67.56	59.87	64.31	55.64	43.56
Total	1,436,172	965,742	67.24	53.43	60.69	66.38	38.21
5—Phoenix of London Group:							
London Guar. & A.	540,860	370,811	68.56	56.60	51.29	56.88	52.37
Phoenix of London	498,011	317,788	63.81	65.53	50.48	54.64	49.11
Union Mar. & General	251,199	146,843	58.46	53.00	48.39	51.51	42.70
Total	1,290,070	835,442	64.76	59.39	50.46	54.99	49.17
6—Royal-Liverpool Group:							
Royal Insurance	530,016	237,675	44.84	44.45	49.80	24.01	29.77
Globe Indem. of Canada	402,253	191,429	47.59	42.26	48.25	25.09	27.57
Liverpool & L. & Globe	222,638	108,713	48.83	43.00	48.78	26.49	28.42
Queen of Amer.	47,094	25,451	54.04	46.52	51.49	32.20	32.57
Newark Fire	39,245	21,207	54.04	46.52	51.69	32.55	32.72
Liverpool-Manitoba	44,232	21,504	48.62	42.88	48.70	26.24	28.38
Total	1,285,478	605,979	47.14	43.58	49.20	25.39	28.97
7—Norwich Union Group:							
Norwich Union	760,657	438,345	57.63	54.33	51.45	44.50	49.42
Canada Security	336,952	199,584	59.23	53.50	51.38	56.66	32.80
Eagle Fire	35,919	20,464	56.97	55.11	60.41	50.92	28.80
Total	1,133,528	658,393	58.08	54.09	51.66	47.28	44.47
8—Employers' Liability Group:							
Employers' Liability	936,622	372,925	39.82	53.50	53.87	43.91	43.13
Merchants' Marine	142,057	50,930	35.85	43.30	50.83	30.09	34.67
Total	1,078,679	423,855	39.29	....	53.47	42.25	42.09
9—Hartford Group:							
Hartford Acc. & Ind.	596,955	327,857	54.92	54.67	65.49	60.80	57.88
London-Canada Ins.	203,593	121,896	59.87	60.42	56.34	48.98	42.34
Hartford Fire	85,985	27,831	32.37	50.39	39.69	38.84	54.67
Kansas City Fire	2	......	....	....	....	....	....
Total	886,533	477,584	53.87	55.13	60.59	55.46	54.14
10—Northern Group:							
Northern Assurance	591,980	266,051	44.94	45.91	49.21	40.14	56.43
Scottish Metropolitan	131,517	92,752	70.52	78.76	60.86	43.02	74.17
World Marine & General	101,336	64,009	63.17	62.64	52.92	42.58	64.34
London & Scottish Assce.	30,071	11,385	37.86	35.98	64.84	18.89	26.57
Total	854,904	434,197	50.79	53.29	52.51	40.01	59.33
11—Travelers' Group:							
Travelers Indemnity	735,472	353,122	48.01	60.49	57.38	40.05	31.05
Travelers Fire	86,096	23,762	27.60	38.60	49.74	28.43	33.28
Total	821,568	376,884	45.87	52.12	56.44	38.53	31.36
12—London & Lancashire Group:							
Lond. & Lancs. G. & A.	511,181	273,042	53.41	41.98	56.11	47.83	45.53
Lond. & Lancs. Ins.	118,842	64,947	54.65	14.43	63.18	45.88	24.26
Law, Union & Rock	110,173	52,703	47.84	46.25	40.70	33.93	17.05
Merchant's Fire Ins.*	71,818	37,337	51.99	42.10	173.05	60.07	54.32
Hand-in-Hand*	6,751	5,523	81.81	20.57	4.07	33.39	47.12
Total	818,765	433,552	52.95	37.73	63.36	46.81	38.94
*Provincial licensed.							
13—Union of Canton Group:							
Union of Canton	432,412	239,832	55.46	41.94	56.63	44.18	36.89
British Traders	232,837	129,142	55.46	41.94	56.63	44.17	36.89
British Oak	65,279	[illegible],681	68.45	62.82	68.83	66.05	71.30
Total	730,528	413,655	56.62	44.17	57.71	46.58	40.72
14—North British Group:							
Railway Passengers	353,912	161,827	45.73	47.34	48.54	43.87	42.99
North British	306,319	138,384	45.18	27.42	49.51	56.70	30.47
Occidental Fire	63,871	40,183	62.91	37.05	53.89	31.04	42.95
Total	724,102	340,394	47.01	36.63	49.62	49.40	36.53
15—Royal Exchange Group:							
Motor Union	341,397	191,077	55.97	50.04	36.02	56.24	48.07
Royal Exchange	253,255	158,203	62.47	47.20	34.03	92.50	56.50
Car & General	85,470	36,838	43.10	31.79	47.05	35.40	25.40
Total	680,122	386,118	56.77	46.51	36.74	56.50	47.81
16—London Assurance Group:							
Guildhall Insurance	365,809	160,983	44.01	38.93	42.56	61.74	39.47
London Assurance	173,463	60,813	35.06	28.41	42.66	37.64	69.55
British Law	55,226	19,628	35.54	105.42	60.76	24.91	30.43
Total	594,498	241,424	40.61	42.24	44.03	52.04	46.99
17—Canadian Surety Group:							
Canadian Surety	527,212	252,340	47.86	50.30	42.19	44.08	44.07
Camden Fire	34,867	21,496	61.65	49.09	30.24	84.60	22.48
Total	562,079	273,836	48.72	50.23	41.36	46.90	42.44
18—Sun Group:							
Sun Insurance	237,763	115,001	48.37	46.47	55.12	39.86	44.50
Imperial Insurance	100,895	57,384	56.87	66.00	59.35	64.45	42.65
London & County	42,866	36,135	84.30	29.83	47.59	65.49	32.77
Patriotic	44,628	17,084	38.28	37.68	38.87	18.12	35.17
Total	426,152	225,604	52.94	48.19	53.33	46.71	41.35
19—Pearl Group:							
Pearl Assurance	412,244	250,529	60.77	55.32	55.18	43.92	38.08
Eureka-Security Fire & Mar.	2,974	515	17.32	59.92	12.16	434.38	9.97
Total	415,218	251,044	60.46	55.34	54.78	44.50	38.02
20—Yorkshire Group:							
Yorkshire Ins.	311,636	151,763	48.70	66.89	38.32	45.35	17.44
London & Prov.	60,745	28,777	47.37	55.96	48.01	60.06	56.27
Total	372,381	180,540	48.48	65.02	40.16	48.10	24.47
21—Century Group:							
Century Insurance	109,904	59,623	54.25	47.95	35.98	35.73	40.26
Anglo-Scottish Ins.	108,010	59,623	55.20	48.80	36.78	36.53	41.16
Pacific Coast Fire	106,116	59,623	56.19	51.82	37.63	37.37	42.10
Southern Insurance	36,003	19,874	55.20	48.80	36.79	36.53	41.16
Total	360,033	198,743	55.20	49.43	36.79	36.53	41.16
22—Home Group:*							
Franklin Fire, Gibraltar, Home Indemnity, Home Insurance, Homestead, National Liberty	342,616	240,928	70.32	67.05	55.30	39.81	55.76
*All other companies in this group reinsure Canadian business with the Home.							
23—National Fire of Hartford Group:							
United National Indemnity	181,473	52,971	29.19	....	....	....	....
National Fire of Hartford	37,450	17,997	48.06	....	....	....	....
Transcontinental	58,407	21,192	36.28	....	....	....	....
Total	277,330	92,160	33.23	....	....	....	....
24—St. Paul Group:							
St. Paul Mercury	158,478	97,868	61.75	54.25	59.71	93.99	35.40
St. Paul Fire & Marine	74,898	33,005	44.07	54.15	47.67	34.20	38.14
Mercury Insurance	37,230	13,733	36.89	38.55	63.28	45.79	40.65
Total	270,606	144,606	53.44	49.73	57.04	70.16	37.01
25—Great American Group:							
Great American Ind.	167,220	80,157	47.94	43.78	50.00	62.79	47.13
Great American Ins.	80,216	32,585	40.62	37.75	47.33	55.89	29.10
American Alliance	10,760	4,415	41.03	37.38	48.02	56.92	29.68
Total	258,196	117,157	45.38	41.86	49.21	60.56	41.22
26—Springfield Group:							
Springfield Fire & Marine	60,117	19,230	31.99	77.15	51.30	94.33	73.31
New England	1,718	539	31.37	77.07	51.31	94.33	73.33
Michigan Fire	6,871	2,198	31.99	77.16	51.29	94.31	73.32
Total	68,706	21,967	31.97	77.15	51.30	94.33	73.31
27—Aetna Group:							
Aetna Ins.	13,488	6,223	46.14	44.42	....	....	....
Century Indemnity	37,111	21,002	56.59	....	....	....	....
World Fire & Marine	3,691	1,569	42.51	27.70	....	....	....
Total	54,290	28,794	53.04	41.85	....	....	....
28—Security, American & Assoc. Group:							
Security Ins. of N. H.	1,895	875	46.17	67.36	23.81	42.43	139.57
Fire Assoc. of Phil.	10,086	6,011	59.60	24.19	24.22	38.69	24.44
American Ins.	4,464	3,525	78.97	69.70	32.57	53.65	24.79
Total	16,445	10,411	63.31	43.49	27.32	47.82	71.84
(B)—29—INDIVIDUAL COMPANIES:							
Glens Falls	439,623	195,141	44.39	49.89	57.30	35.14	22.79
Prudential Assurance	724,108	349,985	48.33	48.91	73.33	47.99	44.07
Atlas	320,987	139,593	43.49	46.03	46.37	87.73	43.71
Maryland Cas.	297,600	173,853	58.42	42.91	73.81	39.79	67.99
Scottish Union	175,952	106,233	60.38	88.09	72.26	78.42	54.96
Caledonian	120,623	64,821	53.74	43.86	32.18	20.55	24.76
Phenix of Paris	216	50	23.15	422.11	16.71	1.57	30.71
Queensland	251,319	147,873	58.84	54.70	58.66	22.40	5.69
General Security of Canada	263,894	130,170	49.33	56.79	47.45	47.03	39.32
Providence Washington	90,337	40,632	44.98	53.20	41.65	89.47	26.13
Legal & General	26,607	13,868	52.12	88.66	63.36	18.13	30.26
U. S. Fire	2,749	......	....	....	....	....	....
National Union Fire	25,254	17,221	68.19	35.03	31.72	28.01	29.47
New Hampshire	154,949	69,038	44.56	47.14	38.98	50.16	42.80
Agricultural	531	—121	....	183.15	108.71	38.84	46.40
Service Fire	364,526	173,912	47.71	22.14	....	....	....
Svea	......	......	....	110.37	8.81	1.04	26.85
Scottish Ins.	138,208	65,197	47.17	39.01	32.43	15.41	....
N. Y. Underwriters	6,841	5,293	77.37	58.68	55.72	43.23	27.96
Fidelity Phenix	20,730	11,310	54.56	88.17	120.74	60.39	58.67
Niagara Fire	10,653	5,524	51.85	....	....	....	....
Continental Ins.	9,022	7,019	77.80	....	....	....	....
Fireman's Fund	3,157	......	....	....	....	....	....
Total, Individ'l Companies	3,447,886	1,716,612	49.78	56.84	60.89	50.39	42.50
Total Board Companies	25,999,112	13,839,315	53.23	51.98	53.64	50.14	44.09

NONBOARD COMPANIES: (A)—GROUP EXPERIENCE.	Net Prems. Written $	Net Claims Incurred $	Ratio of Claims Incurred to Premiums Written 1947 %	1946 %	1945 %	1944 %	1943 %
30—Shaw & Begg Group:							
American Auto. Ins.	818,434	454,533	55.54	53.92	43.23	39.24	53.87
Wellington Fire	530,656	245,582	46.28	46.40	46.91	38.32	39.77
Consolidated	384,285	188,491	49.05	52.89	45.49	54.59	50.18
American Auto. Fire	341,143	137,659	40.35	45.11	47.03	40.02	38.64
Federal Fire Canada	136,637	57,571	42.13	53.70	50.67	40.65	35.66
Total	2,211,155	1,083,836	49.02	50.82	45.17	41.69	47.58
31—General Accident Group:							
General Acc. of Can.	1,311,895	696,231	53.07	55.10	50.34	51.23	38.41
General Acc. Fire & Life	673,425	320,708	47.62	46.91	46.97	44.78	37.30
Scottish Canadian	24,443	6,291	25.74	....	....	....	....
Total	2,009,763	1,023,230	50.91	52.45	49.31	49.24	38.07
32—Dominion General Group:							
Dom. General	1,297,648	593,834	45.76	42.43	40.95	36.27	35.72
Casualty Co. of Canada	398,066	202,473	50.86	39.20	40.38	36.60	40.48
Total	1,695,714	796,307	46.96	41.69	40.81	36.35	36.87
33—Canadian General Group:							
Canadian General	676,416	307,415	45.45	37.84	39.81	41.24	51.38
Toronto General	553,431	252,051	45.54	38.35	39.71	41.32	51.58
Total	1,229,847	559,466	45.49	38.07	55.82	41.27	51.46
34—Lumbermen's Group:							
Lumbermen's Mutual Cas.	964,234	433,775	44.99	46.85	57.01	43.96	41.05
National Retailers	28,458	25,272	88.81	20.32	48.47	32.85	43.43
Total	992,692	459,047	46.24	43.71	55.82	42.29	41.39
35—Canadian Fire Group:							
Canadian Indemnity	579,241	267,000	46.09	42.44	41.64	26.76	44.08
Canadian Fire	403,763	167,217	41.41	50.67	42.66	43.62	52.38
Total	983,004	434,217	44.17	45.66	42.07	34.03	47.70
36—Massie & Renwick Group:							
Metropolitan Cas.	586,510	308,211	52.55	46.99	47.65	46.39	47.44
Nat'l. Ben Franklin	172,609	90,973	52.70	46.85	36.70	43.97	39.01
Dominion Fire	85,301	43,199	50.64	45.02	40.99	35.29	23.33
Northwestern National	14,513	6,806	46.90	63.71	33.64	23.52	35.69
Total	858,933	449,189	52.30	47.07	44.69	44.30	43.02
37—Willis Faber Group:							
Provincial Ins.	243,765	125,692	51.56	51.28	45.51	42.72	52.22
Cornhill	197,830	84,926	42.93	37.41	48.35	32.13	28.60
Monument	58,065	26,658	45.91	44.23	54.38	33.07	....
Total	499,660	237,276	47.49	45.25	46.85	37.72	41.19
38—Chubb & Son Group:							
U. S. Guarantee	192,695	78,650	40.82	51.86	47.96	45.25	67.49
Federal Ins.	168,153	78,467	46.66	41.08	46.16	50.44	55.71
Marine	8,982	8,820	98.20	36.07	106.44	61.06	42.59
Total	369,830	165,937	44.87	46.76	49.54	48.89	60.29
39—General of America Group:							
Gen. Cas. of America	212,507	106,681	50.20	38.24	61.31	68.42	44.61
Gen. Ins. of America	141,806	70,231	49.53	45.07	50.48	38.14	25.64
Total	354,313	176,912	49.93	40.77	57.24	56.48	37.13
40—Northwestern Mutual Group:							
Northwestern Mutual	......	......	....	....	14.96	80.23	17.66
Northwest Casualty	204,406	120,438	58.92	73.88	46.34	39.77	53.36
Total	204,406	120,438	58.92	73.54	46.00	40.21	52.19
41—North America Group:							
Indemnity Insur. of N. A.	73,956	62,744	84.84	55.25	51.56	130.00	72.06
Insurance Co. of N.A.	19,519	17,016	87.18	59.97	58.29	45.80	21.65
Alliance Ins.	21,239	9,872	46.48	66.14	55.20	32.82	62.69
Total	114,714	89,632	78.14	57.78	53.27	97.77	60.01
42—General Reinsurance Group:							
General Reinsurance	91,463	14,522	15.88	24.78	35.29	....	83.81
North Star	8,723	1,124	12.89	0.80	58.35	23.09	48.92
Total	100,186	15,646	15.62	23.77	35.99	....	82.32
43—Hardware Mutual Group:							
Hardware Dealers' Mutual	35,932	5,379	14.97	15.72	8.45	4.69	4.49
Mutual Implement	35,932	5,379	14.97	15.72	8.45	4.69	4.49
Total	71,864	10,758	14.97	15.72	8.45	4.68	4.49
(B)—44—INDIVIDUAL COMPANIES:							
Lloyds*	3,967,604	1,900,963	47.91	52.78	52.22	44.78	47.41
Wawanesa Mut.	2,123,417	1,242,456	58.51	51.31	45.69	49.14	51.33
General Exchange	768,268	378,982	49.33	39.65	47.61	52.39	83.51
Sask. Mutual*	427,118	236,620	55.40	40.93	52.05	....	....
Halifax	931,188	653,973	70.23	65.61	61.81	65.83	50.04
Pilot*	1,124,511	456,069	40.56	42.98	43.93	34.04	24.11
Zurich	1,168,381	681,028	58.29	77.59	60.75	61.76	35.62
Economical Mutual	949,861	371,071	39.07	36.91	40.52	40.77	46.40
Commerce Mutual	559,983	260,618	46.54	51.66	49.09	46.40	52.64
Can. Mercantile	559,955	257,750	46.03	51.25	48.48	46.98	52.62
Can'd. Home Ins.*	322,175	141,092	43.79	46.71	59.90	47.99	....
Union Fire of Paris	155,446	72,245	46.48	58.60	63.88	49.87	47.12
Employers' Reinsurance	189,625	102,875	54.25	33.25	20.61	38.37	83.79
Gore District	397,670	179,954	45.25	64.81	40.36	32.26	31.91
Milwaukee Mechanics	246,556	216,227	87.70	64.66	70.76	61.10	46.72
Comm'l Cas.	193,970	38,270	19.73	49.26	55.00	93.06	88.17
Bankers & Traders	301,650	129,823	43.04	49.90	48.17	28.07	26.77
London & Edinburgh	1,022,485	445,543	43.57	22.42	....	....	....
Missisquoi & Rouville*	283,474	126,206	44.52	....	....	....	....
State Farm Mutual	226,506	90,090	39.77	60.14	46.22	38.99	32.28
Arex Indem.	23,361	13,863	59.34	116.78	106.63	135.86	31.68
United Pacific Insur.	31,059	720	2.32	76.42	53.00	62.43	66.00
Rhode Island	—12,962	77,364	....	58.08	52.95	29.43	....
Switzerland	763	799	104.72	156.51	....	....	....
Amer. Equit.	16	941	5,881.25	362.37	22.72	....	....
Home Assur. Canada*	828,244	402,899	48.64	38.83	48.14	....	....
Affiliated Und.	14,013	5,655	40.36	26.33	72.79	38.61	34.15
Liberty Mutual	32,981	19,190	58.19	46.83	41.99	29.33	39.41
Fidelity & Casualty	53,495	8,917	16.67	....	....	....	....
Hastings Fire & Accident*	35,033	11,572	33.03	8.60	....	....	....
Ohio Farmers Ins.	24,355	7,888	32.39	28.66	39.47	39.53	98.19
Ohio Farmers Ind.	20,906	8,298	39.69	60.09	....	....	....
Continental Casualty	13,850	17,261	124.63	57.05	64.54	126.42	21.18
National General*	10,749	5,175	48.14	....	....	....	....
Central Manufac. Mutual	1,271	—153	....	18.27	51.34	25.99	31.93
Baloise	389	239	61.44	....	....	....	....
United Mutual	11,059	13,955	126.19	12.90	30.32	32.83	51.69
New Zealand	211,645	139,148	65.75	58.07	45.12	38.63	22.00
Fonciere Transport	......	—650	....	....	....	....	....
Total Individual Cos.	17,220,070	8,714,936	50.61	52.32	52.09	49.08	51.77
*Provincial licensed company.							
Total Nonboard Cos.	28,916,151	14,336,827	48.58	49.94	49.46	46.14	....
Grand Total, 1947	55,096,736	28,229,113	51.23	50.84	51.29	48.36	48.30
Grand Total, 1946	38,703,517	19,676,188	50.84	....	....	....	....

Steam Boiler

(Dominion and Provincial Licensed Companies)

	Net prems. written 1947 $	Net losses incurred 1947 $	Ratio 1947 %
Canadian Cos.			
Boiler Inspection	579,518	54,448	9.40
British Canadian	179	None	.....
Gen. Acc. of Can.	150,174	23,169	15.43
Globe Indemnity	21,467	1,639	7.63
Guardian Ins.	30,119	1,159	3.85
Halifax	—7,940	None	.....
Western	244	None	.....
Totals	773,761	80,415	10.39
1946	712,042	59,127	8.30
British Cos.			
Employers' Lia.	71,451	25,106	35.14
Guardian Assur.	7,258	None	.....
Liverpool & L & G	2,385	182	7.63
London Guarantee	647	None	.....
Lloyds*	214,684	227,278	10.58
Ocean Accident	55,307	40,863	73.88
Royal Insurance	29,011	4,905	16.91
Yorkshire	—4	None	.....
Totals	380,739	298,334	78.62
1946	418,150	29,727	7.11
Foreign Cos.			
Fidelity & Cas'lty	2,154	None	.....
Hart Steam Boiler	29,287	2,438	8.32
L'mbm'ns Mu Cas	17,740	—1,962	.....
Maryland Casualty	36,934	2,561	6.93
Travelers Indem'ty	165,624	3,367	2.03
Totals	251,739	6,404	2.54
1946	132,400	3,298	2.49
Grand totals	1,406,239	385,153	27.31
1946	1,262,592	92,152	7.29

*Provincial licensed.

Forgery

(Dominion and Provincial Licensed Companies)

	Net prems. written 1947 $	Net losses incurred 1947 $	Ratio 1947 %
Canadian Cos.			
Canadian Fire	727	32	4.40
Canadian General	4,053	104	2.57
Canadian Indem'ty	10,568	2,984	28.24
Canadian Merc.	77	None	.....
Canadian Surety	2,274	1,001	44.02
Commerce Mutual	77	None	.....
Fidelity Ins.	—97	—40	.....
Gen. Acc. of Can.	77	4,000	5194.81
Globe Indemnity	2,163	7,905	365.46
Grain	2,410	None	.....
Guar. Co. of N. A.	99	None	.....
Guardian Ins.	396	None	.....
Halifax	—46	None	.....
Toronto General	3,316	85	2.56
Western	2,245	3,156	140.58
Totals	28,339	19,227	67.85
1946	32,249	2,829	8.77
British Cos.			
Liverpool & L & G.	240	878	365.83
Royal Insurance	4,230	11,255	266.08
Union of Canton	76	None	.....
Totals	4,546	12,133	266.89
1946	6,147	553	9.00
Foreign Cos.			
Indemnity Ins.	14,270	841	5.89
Maryland Casualty	2,041	51	2.50
Metropolitan Cas.	202	None	.....
U. S. Fidelity	846	370	43.74
Totals	17,359	1,262	7.27
1946	15,614	—2,089	.....
Grand totals	50,244	32,622	64.93
1946	54,010	1,293	2.39
Lloyds*	2,537	1,760	69.36

*Provincial licensed

A Guest May Become a Liability

An accident on your property may result in a claim for damages. The victim may be a guest, a tradesman or workman, even a passerby. Even away from your home, a person injured because of your personal acts or those of any member of your family, may be awarded damages against you.

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Accident and Sickness

(Dominion Licensed Companies)
(A) Group Experience

	Net prems. written	Net losses incurred	Ratio
	1947		
	$	$	%
Commercial Union			
Canada Acc.	38,384	22,102	57.58
Comm. Union	39,574	23,302	58.88
Ocean Acc.	35,363	21,899	61.93
Union Assur.	37,107	21,566	58.12
Total	150,428	88,869	59.08
Dominion of Canada			
Cas. of Can.	6,768	773	11.42
Dom. of Can. Gen.	31,723	3,633	11.45
Total	38,491	4,406	11.45
General Accident			
Gen. Acc. of Can.	9,611	5,093	52.99
Gen. Acc. F. & L.	1,320	252	19.09
Total	10,931	5,345	48.90
Sun			
Imperial Insur.	219,075	107,801	49.21
Sun	3,338	707	21.18
Total	222,413	108,508	48.79
Yorkshire Group			
Lon. & Prov.	1,000	1,517	151.70
Yorkshire Insur.	8,059	2,117	26.27
Total	9,059	3,634	40.11
(B) Individual Companies			
Aetna Life	1,266,037	908,381	71.25
Ben. Ass'n. Ry. Emp.	102,444	81,966	80.01
Comm. Cas.	43,747	39,693	90.73
Confed. Life	967,528	670,986	69.35
Equitable Life	92,496	65,316	70.61
Canada Health	357,102	70,654	19.79
Econ. Mutual	165,935	100,194	60.38
Gen. Rein.	2,433	1,171	48.13
Great West	551,216	331,195	60.08
Halifax	1,213	503	41.47
John Hancock M.	7,124	2,586	36.30
London Life	2,320,778	1,521,726	65.57
Liberty Mut.	122	211	172.95
Loyal Protective	394,648	129,662	32.86
Maryland Cas.	10,957	10,338	....
Metro. Life	3,283,577	2,190,129	66.70
Mutual Life	639,023	447,270	69.99
Mut. Ben. Health	3,256,381	1,526,139	46.84
North Amer. Acc.	16,268	2,104	12.93
North Amer. L. & C	12,904	972	7.53
North British	231,754	180,226	77.77
Occidental Life	565,705	258,416	45.68
Protective Assce.	417,286	329,705	79.01
Prudential Assur.	97,078	29,515	30.40
Prudential Ins.	368,788	145,478	39.45
Railway Pass.	763	787	103.15
Travelers Ins.	1,091,329	713,990	65.42
Zurich	1,719,825	972,081	56.52
Total ind. cos.	17,986,461	10,710,697	59.55
Grand totals, 1947	18,417,783	10,921,459	59.30
1946	14,132,417	8,264,388	58.48
Cand. Home*	80	.....	....
Home of Can.*	93,730	33,197	35.42
Pilot*	2,029	325	16.02
Lloyd's*	9,776	1,352	13.83
*Provincial license.			
Grand total Dom. & prov. licensed cos.	18,523,398	10,956,333	59.15

Machinery

(Dominion and Provincial Licensed Companies)

	Net prems. written	Net losses incurred	Ratio
	1947		
Canadian Co's.	$	$	%
Boiler Inspection	279,598	76,261	27.28
Gen. Acc. of Can.	158,240	59,226	37.43
Guardian Ins.	2,466	1,905	77.25
Halifax	8,324	None	.....
Totals	448,628	137,392	30.62
1946	363,449	159,587	43.91
British Co's.			
Ocean Accident	99,247	2,828	2.85
Totals	99,247	2,828	2.85
1946	148,034	51,012	34.46
Foreign Co's.			
Fidelity & Casualty	70	None	.....
Hart. Steam Boiler	12,635	None	.....
Lmbm'ns Mu. Cas.	8,985	31,415	349.64
Maryland Cas.	1,157	452	39.07
Travelers Indem.	19,335	1,068	5.52
Totals	42,182	32,935	78.08
1946	41,453	27,768	66.99
Grand totals	590,057	173,155	29.35
1946	552,936	238,367	43.11
Lloyds*	144,565	86,751	60.01
*Provincial licensed.			

Livestock

(Dominion Licensed Companies)

	Net prems. written	Net losses incurred	Ratio
	1947		
Canadian Co's.	$	$	%
Canadian Fire	5,360	3,266	60.93
Halifax	491	None	.....
Totals	5,851	3,266	55.82
1946	5,362	3,868	53.49
British Co.			
Yorkshire	346	None	.....
Totals	346	None	.....
1946	729	None	.....
Foreign Co's.			
Hart. Live Stock	54,164	15,102	27.88
Indemnity Ins.	31,560	19,450	61.63
Totals	85,724	34,552	40.31
1946	71,111	39,774	55.93
Grand totals	91,921	37,818	41.14
1946	77,202	42,642	55.23
Lloyds *	61,077	29,350	48.05
*Provincial licensed.			

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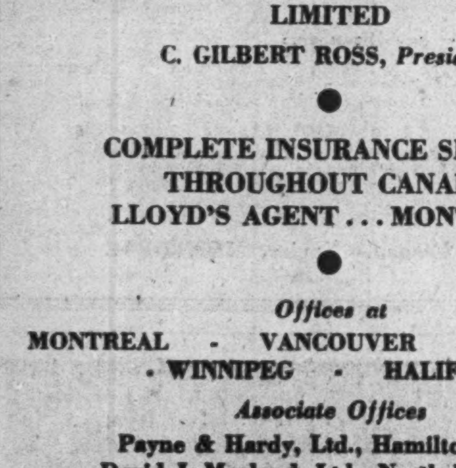

WHAT ARE YOUR ASSETS?

Misers are rare, and the careless are legion — but there is a happy medium between a miser counting his gold and gloating, and modern man inventorying the things he owns, uses and enjoys — and whether they be the product of his own toil and sweat, or inherited, their value in today's dollars is in many cases greater than original cost, and replacement out of earnings is made difficult by the tax collector.

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AGENTS THROUGHOUT CANADA AND NEWFOUNDLAND

Public Liability

(Dominion and Provincial Bonded Companies)

	Net prems. written	Net losses incurred	Ratio
	1947		
Canadian	$	$	%
Canadian Fire	19,888	6,417	32.27
Canadian Indem.	263,475	98,053	37.22
Total	283,363	104,470	36.87
Canadian General			
Candn. Gen.	237,184	49,336	20.80
Toronto Gen.	194,060	41,281	21.27
Total	431,244	90,617	21.01
Commerce			
Can. Mercantile	9,633	4,199	43.59
Commerce Mutual	9,626	4,199	43.62
Total	19,259	8,398	43.61
Century			
Anglo-Scottish	7,464	—3,326	....
Century	11,033	—1,086	....
Total	18,497	—4,412	....
Comm. Union			
Canada Acc.	45,293	16,938	37.40
Com. Union Assur.	38,055	15,089	39.65
Ocean Accid.	71,083	50,309	70.78
Union Assur.	12,471	—662	....
Total	166,902	81,674	48.94
Dominion General			
Casualty	22,923	6,385	27.85
Dom. Gen.	98,409	33,978	34.53
Total	121,332	40,363	33.27
General Acc. of Can.			
Gen. Acc. of Can.	234,799	91,288	38.88
Gen. Accid. F & L	49,595	18,504	37.31
Total	284,394	109,792	38.61
London Assur.			
Guildhall	39,602	9,310	23.51
London Assur.	17,031	4,061	23.84
Total	56,633	13,371	23.61
London & Lancashire			
Lond. & L. G & A	67,473	19,681	29.17
Law Union & R.	12,814	13,399	104.57
Total	80,287	33,080	41.20
Massie & Renwick			
Dominion Fire	5,434	451	8.28
Met. Casualty	171,162	34,886	20.38
Total	176,596	35,337	20.01
Muir Beddal			
Legal & General	19,304	8,049	41.70
New Zealand	1,060	1,254	118.30
Total	20,364	9,303	45.68
Northern			
Northern Assur.	43,699	12,571	28.77
Lond. & Scottish	9,866	1,932	19.58
World Marine	17,996	7,847	43.60
Total	71,561	22,350	31.23
Norwich Union			
Canada Security	28,640	9,049	31.60
Norwich Union	97,437	34,751	35.67
Total	126,077	43,800	34.74
North British			
Occidental Fire	6,170	898	14.55
North British	51,461	8,100	15.74
Rly. Passenger	12,897	5,245	40.67
Total	70,528	14,243	20.19
Phoenix of L.			
Phoenix Assur.	67,009	7,058	10.53
London Guar.	46,489	23,099	49.69
Union Marine	43,086	45,762	106.21
Total	156,584	75,919	48.48
Royal Exchange			
Car & General	39,803	7,217	18.13
Motor Union	223	2,513	1,126.91
Royal Exchange	80,496	24,498	30.43
Total	120,522	34,228	28.40
Royal Liverpool			
Globe Indemnity	175,092	49,607	28.33
Liverpool L & G.	19,474	5,513	28.31
Royal Insur.	169,974	49,450	29.09
Total	364,540	104,570	28.69
Shaw & Begg			
Consolidated	5,475	1,425	26.03
Federal Fire	5,475	1,425	26.03
Wellington	5,475	1,425	26.03
Total	16,425	4,275	26.03
Sun			
Imperial Insur.	2,175	4,591	211.08
Sun Insur.	15,361	3,252	21.17
Total	17,536	7,843	44.73
Travelers			
Traveler Ind.	69,809	12,114	17.35
Travelers Insur.	114,968	15,426	13.42
Total	184,777	27,540	14.90
U. S. Fidelity			
U. S. Fidelity & G.	238,760	47,162	19.75
Fidelity Insur.	106,056	28,617	26.98
Total	344,822	75,779	21.98
Western			
British Empire	18,647	6,535	35.05
British America	37,162	15,178	40.84
British Canadian	9,718	4,391	45.18
Imperial Guar.	30,493	13,135	43.08
Western	81,782	32,729	40.02
Total	177,802	71,968	40.48
Yorkshire			
Yorkshire	35,970	13,209	36.72
London & Prov.	2,440	1,127	46.19
Total	38,410	14,336	37.32
Individual Companies:			
Arex Indemnity	19,471	14,874	76.39
Atlas	25,687	1,435	5.59
Br. Northwestern	16,254	1,199	7.38
Canadian Surety	58,239	17,722	30.43
Century Ind.	6,968	1,814	26.03
Commercial Cas.	37,786	20,413	54.02
Continental Cas.	34,069	37,897	111.24
Economical Mut.	23,608	5,544	23.48
Employers Liab.	269,239	36,717	9.94
Emplyrs. Reins.	21,992	7,500	....
Fidelity & Cas.	1,835	.....	....
Gen. Cas. of Amer.	35,086	6,235	17.77
Gen. Reinsur.	26,193	15,230	58.15
Gen. Security	55,416	10,653	19.22
Gore District	16,192	4,511	27.86
Guardian Insur.	149,048	55,419	37.18
Guardian Assur.	2,692	.....	....
Great Amer. Ind.	32,089	2,540	7.92
Halifax	75,382	39,788	52.78
Hartford Accid.	78,613	10,908	13.88
Hastings Fr. A.	211	.....	....
Indemnity Insur.	489,763	263,800	53.86
Liberty Mutual	17,343	3,847	....
Lumbermen's M. C.	9,629	4,906	50.95
Maryland Cas.	131,991	39,103	29.63
National Gen.	120	.....	....
Northwest Cas.	7,887	973	12.34
Ohio Farmers Ind.	5,055	490	9.69
Pearl	69,080	49,717	71.97
Prudential Assur.	142,126	49,412	34.77
Queensland	9,709	1,825	18.80
Scottish Can.	324	.....	....
Scottish Met.	3,143	446	14.19
Southern	337	.....	....
Union of Canton	237,497	79,216	33.35
U. S. Guarantee	5,707	1,914	33.54
United Nat. Ind.	31,841	1,737	5.46
Wawanesa	7,762	195	2.51
Zurich	114,500	34,594	30.21
Pilot*	13,228	631	4.77
Can. Home*	3,918	428	10.92
Sask. Mut.*	469	.....	....
Lloyd's*	346,838	96,312	27.61
Total individ. cos.	2,636,337	897,451	34.04
Grand total, 1947	5,718,008	1,818,924	31.81
1946	4,594,548	1,493,838	32.51
*Provincial license.			
1947	5,984,792	1,916,295	32.02

Aircraft

(Dominion and Provincial Licensed Companies)

	Net prems. written	Net losses incurred	Ratio
	1947		
	$	$	%
Canadian Co's.			
British America	1,181	725	61.39
Imperial In. Office	9,738	11,802	121.20
Western	1,181	725	61.39
Totals	12,100	13,252	109.52
1946	1,802	594	32.96
British Co's.			
Aviation & Gen.	5,874	3,613	61.51
British Aviation	136,106	146,760	107.83
Century	9,738	11,089	113.87
Comm. Un. Assur.	8,440	11,230	133.06
London Guarantee	58,019	39,795	68.59
Lloyds*	591,261	448,297	.....
North Brit. & Mer.	12,078	12,173	100.79
Phoenix Assur.	202,064	207,823	102.85
Royal Insurance	13,049	11,740	89.97
Union of Canton	13,049	12,047	92.32
Totals	1,049,677	904,567	86.17
1946	613,144	399,970	59.41
Foreign Co's.			
Aetna Insurance	9,079	6,830	75.23
Auto. Insur.	9,079	5,377	59.22
Century Indem.	5,224	764	14.62
Fidelity & Casual.	2,012	None	....
Fire Associa.	4,514	3,411	75.56
Great Amer. Ind.	21,040	8,688	41.29
Great Amer. Insur.	63,401	56,406	88.97
Hartford Accident	5,284	735	13.91
Hartford Fire	9,079	6,830	75.23
Maryland Casual.	5,024	735	14.63
National Un. Fire.	9,068	5,377	59.30
North River	3,026	2,277	75.25
Phoenix Insur.	9,079	6,830	75.23
Provi. Wash.	4,535	3,412	75.24
St. Paul Fire	9,079	6,830	75.23
Springfield	6,803	4,498	66.12
Travelers Fire	6,803	5,211	76.60
Travelers Indem.	5,224	814	15.58
U. S. Fidelity	5,224	735	14.07
U. S. Fire	3,026	2,277	75.25
Totals	195,603	128,037	65.46
1946	170,929	102,309	59.85
Grand totals	1,257,380	1,045,856	83.18
1946	846,410	502,835	59.40
*Provincial licensed.			

Fire Ins. Premiums, Losses Up But Loss Ratio Lower Than '46

(Continued from page 34)

BOARD COMPANIES (A)—Group Experience	Net Prems. Written $	Net Prems. Earned $	Net Claims Incurred $	Ratio of Claims Incurred to Premiums Earned 1947 %	1946 %	1945 %	1944 %	1943 %
53—Meunier Group:								
Northeastern	125,081	93,571	46,260	49.44	58.07	56.30	76.40	88.61
Metropolitan Fire	122,457	91,648	44,100	48.12	29.26	56.66	75.96	96.72
Total	247,538	185,219	90,360	48.79	39.08	56.48	76.18	92.24
(B) 54—Individual Nonboard Companies:								
International	......	......	......	....	....	27.15	34.47	48.99
Halifax Ins.	701,109	677,183	312,328	46.12	42.35	50.71	60.03	50.19
Grain Ins. & Guar.	483,187	393,426	203,921	51.83	72.76	21.25	26.95	14.21
Helvetia Swiss	157,102	153,063	68,417	44.70	78.48	85.95	56.46	66.26
Automobile	1,478	1,261	......	....	....	....	....	....
General of America	335,436	280,665	65,520	23.34	30.83	39.54	30.41	31.86
Milwaukee Mechanics	438,185	441,477	210,635	47.71	77.71	52.51	53.76	75.01
Union F. A. & G.	291,365	338,600	214,023	63.21	62.51	66.14	63.54	51.89
Unity Fire	190,998	69,004	46,975	68.08	....	....	....	....
Providence Fire	75,348	26,385	24,196	91.70	79.47	....	....	....
American Reserve	19,613	100,263	59,049	58.89	73.91	60.32	57.79	52.70
North Star	107,796	83,936	57,148	68.09	54.94	85.21	59.82	57.90
Nordisk Rein.	48,668	16,630	6,651	39.99	....	....	....	....
Switzerland	390,502	284,757	202,683	71.18	73.28	75.16	52.72	63.82
Baloise Fire	180,780	132,140	69,691	52.74	82.39	65.91	60.94	49.62
American Home Fire	164,967	120,780	51,888	42.96	60.18	47.76	35.64	54.55
Federal Insurance	170,388	100,362	60,453	60.23	57.59	68.93	108.45	165.65
Home Assurance*	394,851	364,595	194,888	53.45	51.59	48.68	68.09	67.65
First National†	......	......	......	....	....	....	....	....
Nat. Retailers	88,680	97,073	45,097	46.46	73.28	45.62	119.68	47.39
Pilot*	204,681	151,378	64,988	42.93	44.36	50.00	47.58	57.11
Pool	67,368	68,983	24,115	34.96	68.06	20.97	36.74	18.01
Bankers & Traders	158,476	118,851	92,167	77.55	50.01	60.23	18.45	56.62
Victory	515,683	494,537	288,134	58.26	65.98	82.22	66.29	65.70
Buffalo	22,251	16,778	2,985	17.79	18.85	73.70	15.74	.93
Sterling*	73,228	51,077	31,014	60.72	67.41	56.36	52.48	...
Commer. Gen. of Mexico	103,991	147,250	93,141	63.25	71.34	....	....	....
Total	5,386,131	4,730,454	2,490,107	52.64	60.32	59.66	56.64	56.44
Total Nonbd. Joint Stock	17,315,383	15,100,925	8,200,039	54.30	61.62	63.12	62.88	52.85
*Provincial licensed company.								
†Reinsures its business with General of America.								
MUTUAL COMPANIES								
(A)—Group Expehience:								
55—Ontario Cash Mutuals Group:								
Gore District Mut.	741,697	710,709	319,473	44.95	61.61	53.96	53.99	50.87
Economical Mutual	951,542	740,505	339,735	45.88	51.11	58.42	55.15	47.16
Waterloo Mutual*	508,195	449,360	232,185	51.67	49.74	49.64	43.15	43.63
Perth Mutual*	323,873	287,138	134,956	47.00	43.70	47.45	46.54	42.94
Total	2,525,307	2,187,712	1,026,349	46.91	53.58	53.62	51.23	47.24
*Provincial licensed companies.								
56—Federated Hardware Mutuals Group:								
Mutual Implement	591,669	553,235	201,716	36.46	65.86	24.73	46.38	31.61
Hardware Dealers Mut.	571,554	499,247	183,588	36.77	61.44	21.69	40.63	29.72
Total	1,163,223	1,052,482	385,304	36.61	63.59	23.26	43.59	30.69
57—New England Mutuals:								
Manufacturers Mutual	1,224,278	1,123,904	130,551	11.62	17.62	72.98	26.65	57.75
Firemen's Mutual	476,967	453,243	109,432	24.14	25.39	46.21	115.32	26.32
Blackstone Mutual	430,524	404,195	78,396	19.40	13.01	49.41	36.40	51.69
Boston Manufacturers	599,269	578,087	101,738	17.60	11.28	103.02	33.53	26.80
Arkwright Mutual	316,406	286,018	51,575	18.03	14.42	30.80	22.43	341.46
What Cheer Mutual	222,706	200,113	44,091	22.03	18.90	30.92	37.53	23.16
Philadelphia Mfrs.	140,903	118,182	18,320	15.50	17.64	46.41	36.90	25.14
Worcester Mfrs.	......	......	......	....	....	103.22	33.69	27.63
Fall River	.....	.....	.....	....	....	103.22	33.69	27.63
Protection Mutual	137,346	112,115	36,323	32.40	11.85	40.30	35.04	21.24
Cotton & Woolen Mfrs.	220,436	198,771	42,738	21.50	10.03	108.38	23.16	24.23
Total New England Mut.	3,768,835	3,474,628	613,164	17.65	16.25	59.19	24.99	40.86
Grand Total Mut. Cos.	17,163,419	15,728,344	6,356,915	40.42	50.01	49.56	52.10	42.57
(B) 58—Individual Mutual Companies:								
Wawanesa Mutual	2,153,273	1,839,732	746,119	40.56	44.38	38.74	40.46	36.36
Equitable Fire (Can.)*	1,237,089	1,247,450	679,308	54.46	70.83	62.91	63.96	58.07
Commerce Mutual	1,276,952	1,126,342	577,972	51.31	60.03	52.24	65.52	42.59
Can. Mercantile	1,137,703	1,019,208	541,864	53.17	56.16	57.02	63.58	46.26
Stanstead & Sherbrooke	726,192	652,130	329,118	50.47	68.89	60.18	56.71	52.78
Saskatchewan Mutual*	511,877	459,328	218,270	47.52	55.90	....	....	....
Portage La Prairie	547,338	465,399	204,858	44.02	45.31	39.31	38.84	38.60
Northwestern Mutual	425,275	695,270	288,273	41.46	45.11	34.42	39.21	40.28
Missisiquoi & Rouville*	243,438	210,662	105,335	50.00	55.21	57.57	51.66	52.16
Mill Owners M. of Iowa	263,111	264,254	120,943	45.77	55.90	52.27	42.15	30.32
Central Manuf. Mutual	280,836	220,998	153,820	69.60	62.53	61.90	204.64	79.36
National Gen.	7,159	4,694	273	5.82	....	....	....	....
United Mutual	216,203	192,505	70,479	36.61	41.17	80.36	86.47	32.50
Lumber Mut'l of Boston	93,303	87,741	103,096	117.50	24.83	98.74	184.46	....
Canadian Home*	136,997	123,003	34,873	28.35	53.97	....	....	....
Pennsylvania Lumber	57,106	63,625	38,815	61.01	56.97	30.81	182.53	47.67
Indiana Lumbermen's	42,583	48,611	25,335	52.12	69.87	93.57	149.32	61.30
King's Mutual	77,280	71,331	18,023	25.27	54.22	49.11	16.69	27.75
Ohio Farmers	95,061	70,656	22,036	31.19	20.17	87.89	33.84	48.40
Lumberms. M. of Mansf.	35,863	43,954	24,388	55.49	69.86	35.89	152.32	42.83
Retail Lumbermen's	89,952	70,480	10,485	14.88	42.50	13.77	19.73	73.12
Pictou County Mut.	16,644	14,284	2,529	17.71	46.75	68.45	25.02	44.74
Antigonish Farm Mut.	22,295	12,591	12,277	97.51	65.48	40.12	45.88	38.65
Clare Mutual	2,495	2,583	1,303	50.45	52.18	7.90	17.53	55.71
Cumberland Farm. Mut.	6,864	5,793	1,855	32.02	55.89	37.41	102.92	80.96
Hastings Fire & Acc.*	3,325	1,258	451	35.85	....	....	....	....
Total Individ'l Mut. Cos.	9,706,054	9,013,522	4,332,098	48.06	59.60	50.61	58.31	45.16
Total Mutual Cos.	13,394,584	12,253,716	5,743,751	46.87	58.85	48.97	55.67	42.72
*Provincial licensed company, official figures.								
RECIPROCAL COMPANIES								
59—Reciprocal Managers Ltd. Group:								
Affil. Underwriters	194,863	165,989	87,385	52.65	15.47	87.24	462.10	79.74
Amer. Exchange Und.	57,837	45,665	51,915	113.69	12.94	44.60	33.77	15.45
Individual Underwriters	101,405	96,969	83,173	85.77	33.03	15.95	23.27	14.00
Canadian Recip. Und.*	25,417	25,417	7,972	31.36	51.23	24.84	21.98	....
N. Y. Reciprocal	82,912	68,499	65,008	94.90	8.89	36.45	23.83	12.17
Metropolitan Inter. Ins.	58,574	59,368	56,689	95.49	50.81	83.89	19.33	33.19
Fireproof-Sprinklered	22,218	11,959	6,841	57.20	28.41	71.02	41.19	9.06
Total	543,226	473,866	358,983	75.76	25.83	58.84	18.28	46.30
Provincial licensed.								
60—Lumbermen's Alliance Group:								
Lumbermen's U. All.	165,766	151,036	17,271	11.44	13.11	138.84	44.51	64.89
Underwriters' Exchange	12,013	11,340	1,090	9.61	1.77	35.07	33.86	8.96
Total	177,779	162,376	18,361	11.31	12.17	130.77	43.68	60.71
61—Canners Exchange Group:								
Canners Exchange	61,294	52,351	9,099	17.38	....	....	37.75	2.96
Warner Reciprocal	12,116	9,117	21,147	231.95	....	....	....	....
Total	73,410	61,468	30,246	49.21	....	....	35.70	2.86
Total Reciprocals	794,415	697,710	407,590	58.42	20.38	68.73	13.29	44.32
ASSOCIATED UNDERWRITERS								
62—Lloyd's Underwriters:*	2,739,942	2,150,072	1,361,148	63.31	61.30	65.28	46.74	68.84
*Provincial licensed.								
Grand Total, 1947	93,293,560	78,913,659	42,780,035	54.21	58.41	57.97	58.11	48.71
Grand Total, 1946	73,849,062	65,792,958	38,427,199	58.41	....	....	....	....

Plate Glass

(Dominion Licensed Companies)

	Net prems. written	Net losses incurred	Ratio
	1947		
Canadian Co's.	$	$	%
British America	6,004	2,652	44.17
Brit. Canadian	5,801	2,559	44.11
British Empire	5,634	1,809	32.11
Brit. Northwestern	2,992	1,519	50.77
Can. Accident	17,018	8,539	50.18
Can. Security	5,314	3,489	65.66
Can. Fire	10,054	3,568	35.49
Can. General	14,863	10,285	69.20
Can. Indemnity	20,301	10,245	50.47
Can. Surety	16,972	6,607	38.93
Casualty	13,623	9,118	66.93
Consolidated	3,923	2,871	73.18
Dom. Fire	5,448	2,442	44.82
Dom. of Can. Gen.	26,345	12,303	46.70
Economical Mut.	11,282	2,433	21.57
Fed. Fire	13,125	5,148	39.22
Fidelity Ins.	16,486	6,812	41.32
Gen. Acc. of Can.	25,596	14,908	58.24
Gen. Security	18,081	7,927	43.84
Globe Indemnity	26,062	11,179	42.89
Gore District	5,476	2,054	37.51
Guardian Ins.	30,227	14,419	47.70
Halifax	20,353	10,727	52.70
Imperial Guarant.	7,888	3,536	44.83
Imperial Ins.	5,364	3,007	56.06
Lond. & L. Guar.	16,376	8,133	49.66
Occidental Fire	1,918	348	18.14
Scot. Canadian	51	None	....
Toronto Gen.	12,160	8,466	69.62
Wawanesa	6,522	2,695	41.32
Wellington	2,918	1,557	53.36
Western	11,920	5,505	46.18
Totals	386,097	186,860	48.40
1946	341,303	124,060	36.35
British Co's.			
Anglo-Scottish	1,323	696	52.61
Atlas	8,211	3,529	42.98
British Law	21	None	....
Century	3,597	2,042	56.77
Com. Un. Assur.	7,134	2,801	39.26
Eagle Star	1,801	980	54.41
Employers' Liab.	27,805	15,347	55.20
Gen. Accid., Fire & Life	6,049	3,628	59.98
Guardian Assur.	1,498	206	13.75
Guildhall	4,125	2,306	55.90
Law Union & Rock	4,041	2,082	51.52
Legal and Gen.	12,929	9,172	70.94
L'pool & Lon. Gl.	2,896	1,242	42.89
Lon. & Provincial	1,860	607	32.63
Lon. & Scottish	664	83	12.50
London Assur.	2,988	1,301	43.54
London Guarantee	9,032	6,694	74.11
Motor Union	2,496	1,962	78.61
Nat. Provincial	15,575	6,193	39.76
New Zealand	3,810	1,381	36.25
North British	9,241	3,969	42.95
North. Assur.	17,409	4,911	28.21
Norwich Union	23,158	9,070	39.17
Ocean Accident	64,962	35,399	54.49
Pearl	3,607	28	0.78
Phoenix Assur.	13,611	6,639	48.78
Prudential Assur.	20,499	8,697	42.43
Queensland	4,012	2,547	63.48
Railway Passen.	4,649	2,984	64.19
Royal Insur.	24,672	10,586	42.91
Scot. Metropolitan	1,676	871	51.97
Southern	944	281	29.77
Sun Insurance	6,374	2,943	46.17
Union Assur.	3,016	1,816	60.21
Union of Canton	16,989	7,818	46.02
Union Marine	6,465	3,030	46.87
World Marine	4,102	1,121	27.33
Yorkshire	12,201	5,593	45.84
Totals	355,442	170,555	47.98
1946	320,728	133,106	41.51
Foreign Co's.			
Century Indem.	1,035	68	6.57
Com. Casualty	2,012	1,434	71.27
Continental Cas.	3,775	3,300	87.42
Gen. Cas. of Amer.	6,302	3,959	62.82
Gt. Amer. Indem.	8,195	3,682	44.93
Hartford Accident	14,507	5,045	34.78
Indemnity Ins.	21,486	7,884	36.69
Liberty Mutual	11	None	....
Lumbermen's Mutual Cas.	8,700	3,472	39.91

Hail

	Net prems. written	Net losses incurred	Ratio
	1947		
	$	$	%
Aetna-Alliance Inc.			
Aetna	114,136	50,545	44.28
Ins. of N. A.	244,173	172,149	70.50
Springfield	257,941	296,128	114.80
Sentinel	7,587	8,710	114.80
World F. & Mar.	165,312	243,934	147.58
Michigan	30,346	34,839	114.81
Total	819,495	806,305	98.39
Commerce			
Canadian Merc.	30,808	18,735	60.81
Com. Mutual	30,808	18,735	60.81
Total	61,616	37,470	60.81
Continental			
Continental Ins.	428,758	343,616	80.14
Fidelity Phoenix	183,661	133,886	72.90
Niagara	67,282	44,741	66.50
Total	679,701	522,243	76.83
Great American			
Amer. Alliance	.....	1	....
Great American	341,972	210,415	61.55
Total	341,972	210,415	61.55
Hartford			
Hartford Fire	300,595	170,572	56.74
Citizens of N. J.	65,112	52,441	80.54
N. Y. Underwrit.	31,185	12,477	40.01
Total	396,892	235,490	59.33
Phoenix of Hartford			
Phoenix Inc.	196,923	130,239	66.14
Connecticut	118,833	78,593	66.14
Equitable	23,767	15,719	66.14
Prov. Washington	199,719	132,089	66.14
Westchester	199,719	132,089	66.14
Total	738,961	488,729	66.14
(B) Individual Companies			
Alliance Assur.	62,370	24,954	40.01
Bee	126,225	83,349	66.03
Canada Security	90,426	34,037	37.64
Halifax	28	.....	....
Home Ins.	1,288,445	678,221	52.64
New Eng.	7,587	8,710	114.80
Queensland	32,197	20,432	63.46
Reliance	59,916	39,627	66.14
Sea	41,920	21,088	50.31
St. Paul Fire	154,182	67,819	43.99
Total ind. cos.	1,863,296	978,327	52.49
Grand total 1947	4,901,933	3,278,968	66.89
1946	4,004,784	997,404	24.91
Lloyd's*	48,641	22,577	46.42
*Provincial licensed.			
Grand totals Dom. & prov. licensed cos	4,950,574	3,301,537	67.68

Plate Glass (contd.)

	Net prems. written	Net losses incurred	Ratio
Maryland Cas.	12,115	5,018	41.42
Metropolitan Cas.	37,321	19,218	51.49
Northwest Cas.	3,007	1,987	66.08
Travelers Indem.	8,338	5,535	66.38
Un. Nat. Indem.	4,394	447	10.17
U. S. Fidelity	13,823	5,830	42.18
Zurich	14,002	4,358	31.12
Totals	159,023	71,237	44.80
1946	128,432	50,051	38.97
Totals, Domin.	900,562	428,652	47.60
1946	790,463	307,217	38.87
(Provincial licensed Companies)			
Can. Home	12,283	4,888	39.79
Home of Canada	2,495	3,188	127.78
Lloyd's Underwrit.	103	255	247.57
Pilot	6,102	2,015	33.02
Nat. General	480	.....	....
Grand totals	921,065	438,998	47.66

Real Property

(Dominion and Provincial Licensed Companies)

	Net prems. written	Net losses incurred	Ratio
	1947		
	$	$	%
Canadian Co's.			
British America	1,288	1,818	141.15
Canada Security	167	None	....
General Ac. of C.	2,590	1	0.04
Globe Indem.	255	None	....
Halifax	762	—336	.....
Pacific Coast	159	226	142.14
Reliance	1,938	506	26.11
Wawanesa	543	None	....
Western	1,771	2,488	140.49
Totals	9,473	4,703	49.65
1946	4,767	1,525	31.99
British Co's.			
Atlas	745	470	63.09
Century	659	562	85.28
Essex and Suffolk	27	8	29.63
Gen. Ac. F. & L.	1,598	148	9.26
Guildhall	1,199	None	....
Indem. Marine	31	3831	267.74
Law Un. & Rock	7,384	2,043	27.67
Legal and Gen.	213	None	....
Liver. & Lon. & G.	1,490	2	0.13
London & Lan.	66,010	1,942	2.94
London Assur.	3,458	None	....
Norwich Union	3,533	15	0.42
Pearl	521	None	....
Royal Insur.	1,550	10	0.65
Sea	225	None	.....
Union of Canton	622	None	.....
Totals	89,265	5,593	6.27
1946	26,795*	565	....
Foreign Co's.			
Aetna Insur.	139,876	79,506	56.84
Agricultural	1,307	993	75.98
American Al.	621	None	....
American Equit.	5	None	....
Con. Fire	3,845	1,003	26.09
Continental Ins.	548	135	24.64
Equitable Fire	769	201	26.14
Federal Insur.	17	None	....
Fidelity-Phenix	2,596	None	....
Fire Associa.	5,227	None	....
Fireman's Fund	96,865	9,857	10.18
Gen. In. of Am.	564	None	....
Great Amer. In.	4,615	None	....
Home Insurance	—798	None	....
Michigan	818	31	3.79
National F. of Hart.	—122	None	.....
Phoenix of Hart.	8,338	1,661	19.92
Provi. Wash.	1,218	None	....
Springfield F.	14,279	466	3.26
Standard Insur.	1,297	862	66.46
Travelers Fire	—71	None	.....
United States F.	1,647	1,405	85.31
Weschester	1,647	1,405	85.31
World F. & Mar.	8,573	5,094	59.42
Totals	293,681	102,619	34.94
1946	177,858	—31,112	.....
Grand totals	392,419	112,915	28.77
1946	209,420	—30,152	....
Lloyds*	26,424	1,112	4.21
*Provincial licensed.			

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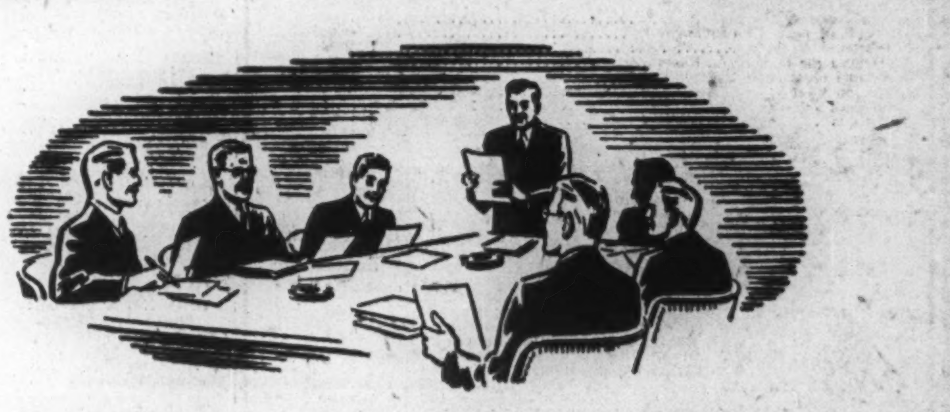

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Theft

	Net prems. written 1947 $	Net losses incurred 1947 $	Ratio %
British-America Western			
British America ..	19,031	5,080	26.69
British Canadian.	8,363	2,932	35.06
British Empire ...	11,192	2,483	22.19
Imp. Guar. & A...	10,149	2,923	28.80
Western Assur. ..	32,837	9,263	28.21
Total	81,572	22,681	27.80
Canadian Surety			
Amer. Surety	13,354	1,259	9.43
Canadian Surety..	19,019	6,270	32.97
Total	32,373	7,529	23.26
Canadian Fire			
Canadian Fire ...	24,111	7,761	32.19
Canadian Indem..	74,245	23,791	32.04
Total	98,356	31,552	32.08
Canadian General			
Candn. General ..	59,650	19,705	33.03
Toronto General..	48,804	16,122	33.03
Total	108,454	35,827	33.03
Century			
Anglo-Scottish ...	4,979	2,866	57.56
Century	4,186	903	21.57
Total	9,165	3,769	41.12
Commercial Union			
Canada Acc. & F..	17,680	5,165	29.21
Union Assur.	6,610	4,469	67.61
Comm. Union	14,528	3,647	25.10
Total	38,818	13,281	34.21
Dominion of Canada			
Casualty Co.	14,362	4,041	28.14
Dom. of Can. Gen.	57,417	16,957	29.53
Total	71,779	20,998	29.25
General Accident			
Gen. Acc. of Can..	69,550	20,026	28.79
Gen. Acc. F. & L.	16,653	16,013	96.16
Total	86,203	36,039	41.81
London Assur.			
Guildhall Ins.	6,595	3,398	51.52
London Assur. ...	4,191	608	14.51
Total	10,786	4,006	37.14
London & Lancashire			
Law Union & Rock	10,278	2,253	21.92
Lon. & L.G. & A..	23,733	10,887	45.87
Total	34,011	13,140	38.63
North British & Mercantile			
North British	20,896	8,495	40.65
Occidental Fire ..	3,095	604	19.52
Railway Pass.	8,187	4,236	51.74
Total	32,178	13,335	41.44

Theft (contd.)

	Net prems. written 1947 $	Net losses incurred 1947 $	Ratio %
Northern			
Lond. & Scottish..	1,074	.....	....
Northern Assur. ..	41,319	14,515	35.13
World Marine	12,637	4,715	37.31
Total	55,030	19,230	34.94
Norwich Union			
Canada Security .	8,265	2,876	34.80
Norwich Union ..	36,036	10,704	29.70
Total	44,301	13,580	30.65
Phoenix of London			
Union Marine ...	16,368	4,068	24.85
Lond. Guar. & A.	33,731	15,881	47.08
Phoenix Assur. ...	27,108	6,798	25.08
Total	77,207	26,747	34.64
Royal-Liverpool			
Globe Indem.	76,986	24,036	31.22
L'pool & Ll. & G.	8,774	2,671	30.44
Royal Insur.	89,770	23,636	26.33
Total	175,530	50,343	28.68
Sun			
Sun Insurance ...	7,750	2,590	33.42
Imperial Ins.	2,204	706	32.03
Total	9,954	3,296	33.11
United States Fidelity			
Fidel. Ins. of Can.	63,236	19,944	31.54
U. S. Fidelity	161,810	55,542	34.33
Total	225,046	75,486	33.54
Yorkshire			
London & Prov. ..	8,159	1,306	16.01
Yorkshire	31,641	6,722	21.24
Total	39,800	8,028	20.17
(B) Individual Companies			
Arex Ind.	2,862	720	25.16
Atlas	16,570	4,805	29.00
British Law	50	.....	....
Brit. N'western ..	11,426	1,334	11.68
Can. Mercantile ..	5,480	462	8.43
Century Ind.	5,196	807	15.53
Comm. Casualty .	26,971	7,110	26.36
Comm. Mutual ...	5,496	462	8.41
Consolidated	4,863	1,135	23.34
Continental Cas. .	3,256	3,035	93.21
Economical	14,641	3,904	26.66
Employers' Liab. .	101,093	25,722	25.44
Employ. Rein. ...	12,517	15,149	121.03
Federal	4,863	1,135	23.34
Fidelity & Cas. ...	143	.....	....
Gen. Cas. of Am..	23,173	2,475	10.68
Gen. Reinsurance.	6,136	1,942	31.65
Gen. Security	28,289	7,374	26.07
Gore District	16,715	4,907	29.36
Grain Insur.	15,582	5,465	35.07
Gt. Am. Indem. ..	19,047	4,272	22.43
Guardian Assur...	27,302	29,412	107.73
Guardian Ins.	125,389	36,829	29.37
Halifax	31,065	13,531	43.53
Hartford Accid. ..	52,274	24,848	47.53
Indemnity Insur. .	170,055	31,667	18.62
Legal & General .	24,331	7,813	32.11
Liberty Mutual ..	878	286	....
Lumbermen's Mut.	13,034	6,569	50.40
Maryland Cas. ...	78,681	29,426	37.40
Metropolitan Cas..	79,041	16,885	21.36
New Zealand	9,134	5,058	55.38
Northwest Cas. ..	7,480	3,319	44.37
Ocean Accident ..	32,282	12,394	38.39
Ohio Farmers	3,346	1,465	43.78
Pearl	19,228	5,060	26.32
Prudential Assur..	49,513	10,384	20.97
Queensland	9,813	335	3.41
Reliance	2,520	104	4.13
Royal Exchange .	39,262	18,053	45.98
Scottish Can.	331	.....	....
Travelers Indem. .	122,598	113,247	92.37
Union of Canton..	70,654	13,310	18.84
United Nat. Ind. .	24,273	626	2.58
U. S. Guarantee ..	4,596	246	5.35
Wawanesa	6,106	1,378	22.57
Wellington	4,863	1,135	23.34
Zurich	35,754	4,264	11.93
Total Ind. Cos. ...	1,368,192	479,287	....
Grand totals, 1947	2,598,755	878,154	33.79
1946	2,302,368	789,260	34.28
Can. Home*	2,226	614	27.58
Pilot*	5,992	1,366	22.80
Nat. General*	89	.....	....
Lloyds*	84,127	185,119	220.05
Total	92,434	187,069	202.38

*Prov. licensed.

Grand total, Dominion and provincial licensed cos., 1947	2,691,189	1,065,223	39.58

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The Boiler Inspection and Insurance Co. of Canada

Inland Transport

(A) Group Experience

	Net prems. written 1947 $	Net losses incurred 1947 $	Ratio %
America Fore			
Continental Ins. ..	24,088	8,796	36.52
Fid.-Phenix	54,443	10,620	19.51
Niagara Fire	4,463	823	18.44
Total	82,994	20,239	24.38
Brit.-America-Western			
British America .	47,039	23,484	49.92
Western	64,679	32,704	50.56
Total	111,718	56,188	50.29
Canadian			
Canadian Fire ..	5,330	4,153	77.92
Canadian Ind. ..	13,698	5,638	41.16
Total	19,028	9,791	51.46
Canadian General			
Canadian General	19,683	12,268	62.33
Toronto General ..	16,105	10,038	62.33
Total	35,788	22,306	62.33
Can. Surety Group			
Camden Fire	3,913	5,296	135.34
Can. Surety	5,880	3,959	67.33
Total	9,793	9,255	94.51
Century			
Century Ins. ..	15,506	6,433	41.39
Pacific Coast Fire	5,818	2,811	48.32
Total	21,324	9,244	43.35
Chubb & Son Group			
Fed. Ins. of N.J. ..	9,128	405	4.44
Marine	61,753	7,945	12.87
Total	70,881	8,350	11.78
Commercial Union			
Commer. Un. Ass.	1,368	1,129	....
Canada Acc. & F.	3,554	1,360	38.27
Ocean Ac. & Guar.	3,199	1,017	31.79
Union Assce.	508	101	19.88
Total	8,629	1,349	15.63
Commerce Mutual			
Can. Mercantile..	4,308	5,727	132.94
Commerce Mut. .	4,308	5,556	128.97
Total	8,616	11,283	130.95
Eagle Star			
British N'west	7,573	3,464	45.74
Eagle Star	2,662	818	30.73
Total	10,235	4,282	41.84
S. M. Elliott			
Connecticut Fire..	21,283	8,414	39.53
Equitable F. & M.	4,257	1,683	39.53
Prov. Wash.	12,386	2,288	18.47
Rel. of Canada ..	10,731	4,242	39.53
Westchester	37,913	16,077	42.40
Total	86,570	32,704	37.78
General Accident			
Gen. Acc. of Can.	13,969	6,043	43.26
Gen. Acc. F.& L.	6,879	2,483	36.10
Total	20,848	8,526	40.90
Great American			
Great Amer.	33,395	11	.....
Amer. Alliance ..	3,660	......	.....
Total	37,055	11	.....
London Assce.			
London Assce. ..	21,029	5,529	26.29
Guildhall	10,041	2,322	23.13
Total	31,070	7,851	25.27
Muir Beddall			
Legal & Gen ..	20,763	7,242	34.88
New Lealand	12,222	2,328	19.05
Total	32,985	9,570	29.01
North America			
Allce. Ins. of Phil.	45,529	25,852	56.78
Ins. Co. of N. A.	152,928	47,868	31.30
Phil. F. & M. ..	163	......	.....
Total	198,620	73,720	37.12
North British			
N. Brit. & Merc.	18,516	7,392	39.92
Ry. Passengers ..	7,641	4,900	64.13
Total	26,157	12,292	46.99
Northern			
Northern Assce. ..	12,283	5,184	42.20
World M. & Gen.	650	315	48.46
Total	12,933	5,499	42.52
Norwich Union			
Can. Security ...	2,113	617	29.20
Eagle Fire	333	369	110.81
Norwich Union ..	13,986	9,902	70.80
Total	16,432	10,888	66.26
Phoenix of London			
Acadia	1,225	533	43.51
Columbia	5,199	4,232	81.40
London G. & A. ..	4,083	1,776	43.50
North. Emp.	817	355	43.45
Phoenix	12,450	6,252	50.22
Union Marine	2,816	1,066	37.86
Total	26,590	14,214	53.46
Royal-Liverpool			
Liv. & L. & G. ..	26,800	13,148	49.06
Globe Indemnity	4,512	2,904	64.36
Queen of Amer.	9,191	422	.....
Royal Ins.	36,907	32,295	87.50
Total	77,410	47,925	61.91
Security, American, Fire Assoc.			
American Ins.	1,842	709	38.49
Security Ins.	1,146	378	32.98
Fire Assoc. of Phil.	20,958	4,295	20.4
Total	23,946	5,382	22.48
Shaw & Begg			
Bankers & Ship'rs	2,331	279	11.97
Cons. Fire & Cas.	757	115	15.19
Fed. Fire	2,363	361	15.28
Jersey Ins.	1,483	178	12.00
Lumbermen's Ins.	3,192	1,200	37.59
Pacific Fire	2,634	317	12.03
Wellington Fire ..	1,267	552	43.57
Total	14,027	3,002	21.40
Springfield			
Michigan F.	1,818	240	13.20
New England	454	60	13.32
Sentinel Fire	454	60	13.22
Springf'd F. & M.	15,453	2,041	13.21
Total	18,179	2,401	13.21
Union of Canton			
British Oak	1,702	587	34.49
Union of Canton	95,985	33,217	34.61
Total	97,687	33,804	34.60
(B) Individual Companies			
Atlas	2,291	351	15.32
Aetna	63,397	28,735	45.33
Agricultural	30,328	12,903	42.55
American Equit...	676	1,170	.....
Automobile	20,252	1,976	9.76
Boston Ins.	19,022	5,496	28.89
British Aviation ..	275	81	29.45
Central Mfrs. ...	1,739	924	53.13
Economical Mutual	22,281	6,968	31.27
Emp. Liab.	44	......	.....
English & Amer...	109	......	.....
Firemen's Fund ..	12,712	1,316	10.35
Essex & Suffolk ..	214	40	18.69
General Security..	977	66	6.76
Gen. Ins. of Amer.	3,644	506	13.89
Glens Falls	10,171	2,370	23.30
Gore District	2,429	513	.....
Guardian Assce. ..	1,183	23	1.94
Guardian Ins. ...	10,886	2,180	20.03
Hartford Fire ..	199,352	118,044	59.21
Hastings F. & A.*	4	......	.....
Home Ins.	155,048	272,612	175.82
Halifax	16,648	1,466	8.81
Indemnity Marine.	22	111	.....
Law Union & R. .	67	......	.....
Lon. & Lancashire	37,754	6,770	17.93
Milwaukee Mech..	28,754	23,193	81.71
Nat.-Ben Franklin	72,802	29,579	40.63
Nat. Fire Hartford	19,885	232	1.17
Lloyds*	213,914	126,085	58.94
National Gen.* ...	143	......	.....
National Union ..	11,293	9	0.08
New Hampshire	1,934	1,833	94.78
N. Y. Underwriters	6,428	9,950	154.79
North Star	186	3	1.61
N'west Mutual ..	721	30	4.16
Occidental Fire .	185	......	.....
Pilot*	2,585	603	23.33
Ohio Farmers Ind.	27	......	.....
Ohio Farmers Ins.	1,361	157	11.54
Pearl	12,675	1,351	10.66
Phoenix of Hart.	44,695	14,941	33.43
Prudential Assur..	446,317	334,810	75.02
St. Paul F. & M.	171,395	6,945	4.05
Sask. Mutual* ..	9,523	......	.....
Standard Ins.	30,315	12,940	42.69
Queensland	13,264	3,817	28.78
Transcont.	4,356	......	.....
Travelers	12,508	2,148	.....
U. S. Fire	37,913	16,082	42.42
World F. & M.	29,909	3,959	13.24
Wawanesa	5,654	2,713	47.98
Zurich	3,370	3,226	.....
Royal Exch.	8,513	1,921	22.57
Scottish Union ..	11,220	567	5.05
Sea	1,734	5	0.29
Standard Mar. ..	458	......	.....
Sun Insce.	3,973	1,971	49.61
Yorkshire	324	523	161.42
Total indiv. Cos..	1,818,402	1,049,878	57.74
Total 1947	2,918,917	1,469,933	50.35
1946	2,496,883	1,069,919	44.68

*Provincial licensed.

The Wawanesa Mutual Insurance Company ORGANIZED IN 1896

Admitted Assets... $6,784,348.81
Surplus 3,180,060.58
Dom. Govt. Deposit 2,378,615.74

Write for Financial Statement

Head Office WAWANESA Man. — Eastern Office TORONTO Ont.
Branches at Vancouver, Saskatoon, Winnipeg and Montreal

Personal Property

(Dominion and Provincial Licensed Companies)

(A) Group Experience

	Net prems. written 1947 $	Net losses incurred 1947 $	Ratio %
British America-Western			
British America ..	92,036	46,308	50.32
Western Assur. ..	126,550	63,677	50.32
Total	218,586	109,985	50.32
Canadian			
Canadian Fire	31,518	25,899	82.17
Canadian Indem. .	53,886	39,674	73.63
Total	85,404	65,573	76.78
Canadian Surety			
Camden	31,748	12,723	40.07
Canada Security .	17,579	15,459	87.94
Total	49,327	28,182	57.13
Canadian General			
Canadian General.	86,131	67,622	78.51
Toronto General ..	70,471	55,327	78.51
Total	156,602	122,949	78.51
Caledonian			
Caledonian-Am. ..	6,519	2,663	40.85
Caledonian	26,382	15,307	58.02
Total	32,901	17,970	54.62
Commercial Union			
Canada Acc.	55,221	38,016	68.84
Union Assur.	32,331	23,358	72.25
Comm. Union	98,100	56,055	37.14
Ocean Acc.	131,012	114,032	87.04
Total	316,664	231,461	73.09
Continental			
Fidelity Phoenix..	37,594	29,649	78.87
Dominion of Canada			
Casualty	13,812	10,832	78.42
Dom. of Can. Gen.	102,013	76,525	75.01
Total	115,331	87,357	75.74
Eagle Star			
Brit. N'western ..	63,591	36,257	57.02
Eagle Star	42,744	27,477	64.28
Total	106,335	63,734	59.94
North British			
North British	83,832	60,335	71.97
Rly. Passengers ..	29,759	12,942	43.49
Occidental Fire ..	6,767	4,064	60.06
Total	120,358	77,341	64.26
Northern			
Northern Assur...	72,356	36,254	50.11
World Marine	7,496	4,815	64.23
London & Scot. ..	6,498	1,933	29.75
Scottish Met.	8,866	6,971	78.63
Total	95,216	49,973	52.48
Phoenix of London			
London G. & A. ..	50,848	37,884	74.50
Union Marine	30,480	22,694	74.46
Phoenix Assur. ..	118,155	78,920	66.79
Acadia	15,233	11,347	74.49
Columbia	5,078	3,782	74.48
North Empire	10,155	7,565	74.50
Total	229,949	162,192	70.53
Royal Liverpool & L.			
L'pool & I. & G..	162,712	72,290	44.43
Royal Insur.	210,879	98,171	46.55
Total	373,591	170,461	45.63
Sun			
Imperial	4,931	4,369	88.60
Patriotic	5,597	2,515	44.93
Sun Ins.	42,322	35,995	85.05
Total	52,850	42,879	81.13
Union of Canton			
British Oak	1,946	1,601	82.27
South British	1,335	350	26.26
Union of Canton..	199,164	81,346	40.84
Total	202,443	83,297	41.15
(B) Individual Companies			
Aetna Insurance..	387,423	141,934	36.64
Agricultural	54,769	20,811	38.00
Alliance Insur. ..	423,131	192,269	45.44
Amer. Alliance ..	14,543	5,575	38.33
Amer. Equitable..	12,021	580	....
Atlas	34,768	19,517	56.13
Auto Insur.	93,984	91,645	97.51
American Ins. ...	10,631	7,838	73.73
Bank. & Ship.	11,010	5,308	48.21
Boston	24,563	20,943	85.26
British Law	4,336	1,648	38.01
British Traders ...	....	45	....
Canadian Mer. ...	2,031	1,626	80.06
Canadian Surety..	28,507	19,418	68.12
Central Mfrs.	13,148	9,897	75.27
Century	27,499	12,471	45.35
Citizens	2,180	2,170	99.54
Connecticut	121,490	62,217	51.21
Comm. Mutual ...	2,064	1,326	64.24
Consolidated	121,275	6,270	51.08
Cont. Insurance ..	98,553	55,643	56.46
Cornhill	5,063	1,227	24.23
Eagle Fire	7,273	4,925	67.72
Economic Mut. ..	46,671	23,182	49.67
Employers' Liab..	134,858	97,859	73.56
Equitable Fire ...	24,298	12,443	51.21
Essex & Suffolk..	3,585	2,170	60.53
Fed. Fire of Can..	29,270	15,559	53.16
Federal Ins.	21,338	7,388	34.62
Fidelity Ins.	28,522	46,321	162.40
Fire Assoc.	49,279	33,565	68.11
Fireman's Fund ..	674,580	415,441	61.59
Gen. Acc. of Can..	90,917	42,187	46.40
Gen. Acc. F. & L..	94,053	60,750	64.59
Gen. Ins. of Amer.	75,229	45,738	60.80
Gen. Security	40,426	32,005	79.17
Glen Falls	110,027	98,615	89.63
Globe Indem.	36,523	17,795	48.72
Gore District	34,170	21,433	62.72
Gt. American	104,572	42,081	40.24
Guardian Assur...	43,009	8,859	20.60
Guard. Insur.	46,745	34,645	74.11
Guildhall	112,431	67,716	60.23
Halifax	66,270	86,167	130.02
H'ware Dealers ..	22,375	10,605	47.40
Hartford Fire	96,910	46,568	48.05
Home Insur.	572,653	219,350	38.30
Indemnity Mar. ..	684	12,419	1,815.64
Ins. of N. Amer...	689,557	391,869	56.83
Jersey	7,034	3,391	48.21
Law Union & R...	7,020	3,760	53.56
Legal & General.	50,992	28,595	56.08
Lon. & County ..	2,121	3,241	152.81
Lond. & Lanc. Ins.	237,342	150,502	63.41
Lon. & Provin. ...	9,943	15,902	159.93
London Assur. ...	107,147	54,681	51.03
London-Canada ..	6,696	2,049	30.60
Lbrmen's Ins.	7,320	8,691	118.73
Marine	32,934	25,954	78.81
Michigan Fire	32,836	21,008	63.98
Milwaukee Mech..	89,339	52,733	59.03
Mutual Imple. ...	22,589	12,023	53.23
Nat. Ben. Frank..	155,446	106,270	68.36
Nat. Retailers	4,746	204	4.30
Nat. Union Fire ..	33,608	29,306	87.20
New England	8,209	5,252	63.98
New Hampshire ..	6,626	3,624	54.69
N. Y. Under.	49,597	14,098	28.43
New Zealand	28,312	17,404	61.47
Niagara Fire	29,464	16,454	55.84
North Star	21,210	15,848	74.72
Norwich Union ..	106,820	57,577	53.90
N'western Mut. ..	32,984	34,364	104.18
Pacific Coast	11,383	5,789	50.86
Pacific Fire	12,539	6,045	48.21
Pearl	93,861	49,886	53.15
Philadelphia Fire.	24,563	7,888	32.11
Phoenix of Hart...	222,262	122,041	54.91
Planet	281	324	115.30
Portage la Prairie	10,519	2,871	27.29
Provid. Wash.	33,340	13,594	40.77
Provincial	9,972	7,026	70.46
Pruden. Assur. ...	107,979	116,326	107.73
Queensland	42,496	35,531	83.61
Reliance	61,255	31,370	51.21
Royal Exchange..	58,469	39,674	67.85
Scottish Insur. ...	14,856	2,446	16.46
Scottish Union ...	138,951	72,519	52.19
Sea	4,707	3,011	63.97
St. Paul Fire	302,748	190,754	63.01
Security Insur. ...	10,139	5,884	58.03
Sentinal	8,209	5,252	63.98
Springfield	277,789	186,461	67.12
Standard Ins. N. Y.	54,541	16,671	30.57
Transontinental ..	24,649	7,713	31.29
Travellers Fire ...	152,232	81,249	53.37
United Mutual ...	4,407	2,178	49.42
U. S. Fire	68,747	31,188	45.37
Wawanesa	55,228	28,507	51.62
Wellington	20,776	14,448	69.54
Westchester	69,820	31,877	45.66
World F. & Mar...	131,155	51,750	39.46
Yorkshire	102,876	81,321	79.67
Total Ind. cos. ...	7,945,456	4,512,558	56.79
Grand total	10,126,972	5,890,935	58.17
Lloyd's*	74,882	7,846	10.48
Hastings*	757	168	22.19
Pilot*	7,407	5,265	71.08
Nat. General*	276	.....	....

*Provincial licensed.

Dom. & Prov. Cos.			
Grand total	10,221,929	5,868,840	57.41

Weather

(Dominion and Provincial Licensed Companies)

	Net prems. written 1947 $	Net losses incurred 1947 $	Ratio %
British Co.			
Guildhall	3	None	....
Totals	3	None	....
1946	None	None	....
Foreign Co's.			
Aetna Insurance ..	None	4,827	....
Hartford Fire	10,866	1,523	14.02
Home Insurance .	6,044	4,566	75.55
Totals	16,910	10,916	64.55
1946	21,261	3,583	16.85
Grand totals	16,907	10,916	64.56
1946	21,317	3,541	16.61
Lloyds*	1,275	6,110	4.79

*Provincial licensed.

Credit

(Dominion Licensed Companies)

	Net prems. written 1947 $	Net losses incurred 1947 $	Ratio %
American Credit ..	233,886	9,149	3.91
Employers Reins.	21,052	—564	....
Total, 1947	254,938	8,585	3.37
1946	265,996	3,741	1.41

Casualty Business Up 19% Over Previous Year

An increase of about 19% is shown by the Casualty insurance business in Canada in 1947, according to the official figures supplied by Dominion and provincial insurance departments.

Total premiums for the various lines of insurance other than life, fire, automobile and marine in 1947 totalled $64 millions, an increase of more than $10 millions over 1946. Total losses were $30.5 millions ($23.4 millions in 1946). The resulting loss ratio was 47.77% in 1947 (43.60% in 1946).

Increased premiums were shown in the majority of insurance classes.

Accident and sickness premiums advanced sharply, an important factor here, it is understood, being the sale of group accident and sickness cover. Personal property insurance was also higher. This classification includes the personal property floater, under the Dominion grouping, but the government figures do not segregate it.

Figures for Dominion licensed companies with comparisons follow:

	Net Prems. Written 1947 $	Net Prems. Written 1946 $	Net Losses Incurred 1947 $	Loss Ratio 1947 %	Loss Ratio 1946 %	Loss Ratio 1945 %
Accident:						
(1) Personal	5,590,130	5,035,928	1,719,659	30.76	29.22	31.41
(2) Empl. liab.	1,991,209	1,653,382	572,191	28.74	36.06	34.02
(3) Public liab.	5,718,008	4,594,548	1,818,924	31.81	32.43	37.30
Accident & sickness combined	18,417,783	14,132,417	10,921,459	59.30	58.48	64.97
Theft	2,598,755	2,302,368	878,154	33.79	34.32	40.39
Credit	254,938	265,996	8,585	3.37	....	1.60
Earthquake	40,082	34,973	222	0.55	4.35	79.54
Machinery	590,057	552,936	173,155	29.35	43.11	27.85
Plate glass	900,562	790,463	428,652	47.60	38.87	71.57
Explosion	—556	49,433	448	....	6.83	7.28
Forgery	50,244	54,010	32,622	64.93	2.76	30.59
Aircraft	666,119	394,894	597,559	89.71	49.02	8.85
Weather	16,907	21,317	10,916	64.56	17.01	54.82
Sprinkler	22,812	17,914	7,295	31.98	31.61	51.35
Falling aircraft	64	—60	......	....	....	105.74
Guarantee:						
(1) Fidelity	1,459,980	1,687,267	193,138	13.23	11.34	4.22
(2) Surety	1,184,397	1,030,987	128,651	10.86	....	10.05
Hail	4,901,933	4,004,784	3,278,960	66.89	24.67	31.17
Inland Transportation	2,692,748	2,439,588	1,343,245	49.88	44.66	39.28
Livestock	91,921	77,202	37,818	41.14	52.64	31.52
Real property	392,419	209,420	112,915	28.77	6.77	102.29
Personal property	10,126,972	9,004,881	5,890,925	58.17	65.51	59.14
Sickness	4,911,258	4,282,415	2,158,820	43.96	39.60	43.39
Steam boiler	1,191,555	1,012,030	157,875	13.25	7.24	16.34
Windstorm	237,122	240,629	125,447	52.90	75.44	40.26
Total	64,047,419	53,889,722	30,597,645	47.77	43.60	45.85

Dominion licensed companies only.

Fidelity

(Dominion Licensed Companies)

(A) Group Experience

	Net prems. written 1947 $	Net losses incurred 1947 $	Ratio %
Canadian Surety			
American Surety.	25,941	1,805	6.96
Anglo-Scott	825	302	36.61
Canadian Surety..	75,219	798	1.06
Total	101,985	2,905	2.85
Br. Am. Western			
British America..	7,518	953	.....
British Canadian .	2,131	689	....
British Empire ...	1,348	178	....
Imperial G. & A...	15,978	2,680	....
Western Assur. ..	7,115	735	....
Total	34,090	5,235	....
Canadian Fire			
Canadian Fire ...	23,539	6,030	25.62
Canadian Indem. .	67,558	4,586	6.79
Total	91,097	10,616	11.65
Canadian General			
Can. General	49,654	8,423	16.96
Toronto General..	40,626	7,317	18.01
Total	90,280	15,740	17.43
Dominion of Canada			
Casualty Co.	2,559	2,755	107.66
Dom. of Can. Gen.	67,490	1,314	1.95
Total	70,049	4,069	5.81
London & Lancashire			
Law Union & Rock	2,272	.....	....
London & Lanc. .	8,377	6,493	77.51
Total	10,649	6,493	60.97
North British & Mercantile			
Rly. Passenger ...	3,381	38	....
Total	3,381	38	....
Northern			
Northern Assur. ..	3,010	3	....
Scottish Metropole	757	.....	....
World Mar. & G...	15	.....	....
Total	3,782	3	....
Norwich Union			
Can. Security	3,693	326	8.83
Norwich Union ..	12,952	158	1.22
Total	16,645	484	2.91
Phoenix of London			
London G. & Acc.	33,514	2,170	6.47
Phoenix Assur. ..	6,484	4,461	68.80
Union Marine	3,350	.....	....
Total	43,348	6,631	15.30
Royal Liverpool			
Globe Indemnity .	32,641	5,677	17.39
L'pool L & G	3,627	631	17.40
Royal Insur.	42,429	5,681	13.39
Total	78,697	11,989	15.23
Sun			
Sun Insur. Office.	498	.....	....
Imperial Ins.	70	.....	....
Total	568	.....	....
U. S. Fidelity			
Fidel. Ins. of Can.	56,642	12,123	21.40
U. S. Fidel. & G..	250,628	10,665	4.26
Total	307,270	22,788	7.42
Yorkshire			
London & Prov. .	240	.....	....
Yorkshire	2,204	122	....
Total	2,444	122	....
(B) Individual Companies			
Alliance Assur. ..	3	5	....
Canadian M.	1,577	821	....
Cn. Accident	14,214	313	2.20
Century Ind.	626	.....	....
Century Insur. ...	2,407	174	7.23
Comm. Casualty .	7,999	191	2.39
Comm. Mut.	1,707	821	....
Consolidated	603	500	82.92
Dom. Fire	80	.....	....
Econ. Mutual	1,432	250	17.46
Employers' Liab. .	64,500	17,151	26.59
Employ. Rein. ...	224	55	....
Federal Fire	603	500	82.92
Fidelity & Cas. ...	559	.....	....
Gen. Acc. of Can..	42,586	19,267	45.24
Gen. Cas. of A. ...	7,378	.....	....
Gen. Reinsur.	13,563	1,672	12.33
Gen. Security	2,151	1,019	....
Gore District	1,209	3	....
Grain Insur.	53,900	5,057	9.38
Gt. Amer. Indem..	7,701	2,734	35.50
Guar. Co. of N. A.	93,732	8,193	8.74
Guardian Assur. ..	15,006	616	4.11
Guardian Insur. ..	26,201	9,569	36.52
Halifax	1,769	764	43.19
Hartford Ins. Acc.	4,137	6,805	....
Indem. Insur.	81,930	15,303	18.68
Int'l Fidelity	4,263	54	1.27
Liberty Mutual ..	6,320	.....	....
Lumbermen's M. .	10,181	3,543	34.80
Maryland Cas. ..	32,454	8,032	24.75
Metro. Casunalty .	9,561	3,038	31.77
National Sec.	......	—565	....
Ocean A. & Guar.	21,827	3,692	16.91
North Br.	3,246	......	....
Pearl	15,503	1,241	8.00
Prudential	3,782	6,935	183.37
Royal Exchange .	38,236	11,634	30.43
Scottish Cand. ...	420	—42	....
Travelers Indem. .	—46	449	....
Union of Canton .	6,255	5,585	89.29
United N. Ind.	2,277	....	....
Wawanesa	1,804	......	....
Wellington	603	500	82.92
Zurich	1,212	....	....
Total Ind. Cos. ..	605,695	116,819	19.29
Grand total, 1947	1,459,980	193,138	13.23
1946	1,687,267	188,718	11.18
Can. Home*	119	....	....
Lloyds*	306,793	123,997	40.42

*Prov. licensed.

Grand total Dom. & prov. licensed cos. ...	1,766,892	317,133	17.95

Sickness

(Dominion Licensed Companies)

(A) Group Experience

	Net prems. written $	Net losses incurred $	Ratio %
British America-Western			
British America .	20,139	9,796	48.64
British Canadian .	9,935	4,739	47.70
British Empire ...	35,511	10,130	28.53
Imperial G. & A..	58,871	28,640	48.65
Western	53,718	25,007	46.55
Total	178,174	78,312	43.95
Canadian General			
Can. General	9,364	5,060	54.04
Toronto General ..	7,661	4,140	54.04
Total	17,025	9,200	54.04
Commercial Union			
Canada Acc. & F.	15,242	6,208	40.73
Union Assur. Soc.	4,845	3,564	73.56
Comm. Un. Assce.	11,067	5,611	50.70
Total	31,154	15,383	49.38
Dominion of Canada			
Casualty Co. of C.	15,862	10,092	63.62
Dom. of Can. Gen.	61,573	32,093	52.12
Total	77,435	42,185	54.48
General Accident			
Gen. Acc. of Can.	19,969	12,222	61.20
Gen. Acc. F. & L.	31,706	15,919	50.21
Total	51,675	28,141	54.46
London & Lancashire			
Law Union & Rock	1,950	1,731	88.77
Lon. & L. G. & A.	17,021	13,584	79.81
Total	18,971	15,315	80.73
Northern			
Northern Assur. ..	15,395	11,417	74.16
World Marine	15,353	11,417	74.36
Total	30,748	22,834	74.26
London Assur.			
Guildhall	1,679	1,043	62.12
London Assur. ...	2,183	486	22.26
Total	3,862	1,529	39.59
North British & Mercantile			
North British	14,040	10,207	72.70
Occidental Fire ..	766	1,045	136.42
Railway Pass.	9,403	4,243	45.12
Total	24,209	15,495	64.01
Norwich Union			
Canada Security .	1,903	657	34.52
Norwich Union ..	8,469	1,750	20.66
Total	10,372	2,407	23.21
Phoenix of London			
London G. & Acc.	17,330	7,570	43.68
Union Marine	3,486	1,142	32.76
Phoenix Assur. ..	10,301	3,212	31.18
Total	31,117	11,924	38.32
Royal Exchange			
Car & General ...	50	....	....
Royal Exchange ..	50	58	116.00
Total	100	58	58.00
Royal Liverpool			
Globe Indemnity .	43,942	22,208	50.54
Liverpool L. & G.	4,882	2,467	50.53
Royal Insurance ..	42,635	21,960	51.51
Total	91,459	46,635	50.99
Sun			
Sun Insurance ...	7,877	3,835	48.69
Imperial Ins.	1,975	—20	....
Total	9,852	3,815	38.72
U. S. Fidelity			
Fidelity Ins.	2,518	785	31.18
U. S. Fid. & Guar.	8,582	2,078	24.21
Total	11,100	2,863	25.75
(B) Individual Companies			
British Northwest	4,068	2,280	56.05
Canadian Indem. .	9,435	5,001	53.00
Commercial Cas. .	24,731	5,184	20.96
Continental Cas. ..	3,970,179	1,716,608	43.24
Employers Liab. ..	102,889	56,609	55.02
Employers Rein. .	5,720	1,666	29.13
General Security .	3,195	714	22.35
Gt. Amer. Indem.	546	140	25.64
Gt. West. Life	40,947	3,678	8.98
Guard. Ins. of C. .	10,880	7,503	68.96
Halifax	1,541	926	60.09
Hartford Acc.	342	....	....
Indemnity Ins. ...	499	—864	....
Legal & General .	4,192	1,000	23.85
Lumbermen's M. .	1,856	1,195	64.39
Maryland Cas. ...	1,794	—143	....
North Amer. Acc.	413	....	....
Ocean Accident ..	23,896	7,391	30.93
Prudential Assur.	14,301	3,924	27.44
Royal Guardians .	553	282	50.99
Scottish Can.	68	....	....
Travelers Ins.	67,452	34,077	50.52
Union of Canton .	28,206	14,180	50.27
United Nat. Ind. .	165	....	....
Zurich	6,137	1,373	22.37
Total Ind. Cos.	4,324,005	1,862,724	43.08
Grand total, 1947	4,911,258	2,158,820	43.96
1946	4,282,415	1,704,903	39.81
Lloyds*	34,971	1,000	2.86

*Prov. licensed.

Grand total Dom. & prov. licensed cos. ...	4,946,229	2,159,820	43.67

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Employers Liability

(Dominion Licensed Companies)

	Net prems. written (1947)	Net losses incurred (1947)	Ratio
	$	$	%
Canadian Co's.			
British Amer. ..	8,507	2,576	30.28
British Canadian .	3,521	636	18.06
British Empire ..	2,771	868	31.32
British Nor'west..	2,444	—1,289	.....
Canada Accident .	21,553	—200	.....
Canada Security ..	5,918	2,591	43.78
Canadian Fire ..	3,257	None	....
Canadian Gen. ..	88,770	23,954	26.98
Canadian Indem. .	33,551	15,584	46.45
Canadian Mer. ..	15,550	2,630	16.91
Canadian Surety .	6,032	83	1.38
Casualty	65	None	....
Com. Mutual ..	15,508	2,730	17.60
Consolidated ..	None	228	....
Dominion Fire ..	64	None	....
Dominion Gen. ..	12,357	1,770	14.32
Fidelity Insur. ..	32,375	19,506	60.25
Gen. Ac. of Can. .	83,555	6,443	7.71
General Security .	38,012	6,431	16.92
Globe Indem. ..	81,853	23,187	28.33
Gore District ..	2,711	1,545	56.99
Guardian Insur. ..	80,587	29,517	36.63
Halifax	22,781	5,965	26.18
Imperial Guar. ..	3,503	1,001	28.58
Imperial Insur. ..	76	—962	.....
Lon. & Lan. G. ..	30,130	—2,830	.....
Occidental Fire ..	947	800	84.48
Scottish Cana. ..	73	None	....
Toronto General .	72,630	19,406	26.72
Wawanesa	48	None	....
Western	18,327	5,152	28.11
Totals 1947	687,476	167,322	24.34
1946	538,520	167,010	31.01
British Co's.			
Alliance Assur. ..	None	—101	.....
Anglo-Scottish ..	11,966	1,656	13.84
Atlas	16,047	1,970	12.28
Aviation & Gen. ..	366	43	11.75
British Aviation ..	392	None	....
Car & General ..	3,517	5,868	166.85
Century	2,430	334	13.74
Com. Union As. ..	13,539	2,067	15.27
Employers' Liab. .	168,616	20,806	12.34
Gen. Ac. F. & L.	6,914	—1,393	.....
Guardian Assur. .	5	None	....
Guildhall	8,753	2,667	30.47
Law Un. & Rock	1,395	381	27.31
Liver. & Lon. & G.	9,125	2,604	23.54
London & Provin.	4,388	937	21.35
London & Scottish	4,864	1,012	20.81
London Assur. ..	3,057	620	20.28
London Guarantee	9,036	—28,581	.....
North British	30,961	6,627	21.40
Northern Assur. ..	34,784	9,722	27.95
Norwich Union ..	75,844	29,536	38.94
Ocean Accident ..	21,692	7,893	36.39
Pearl	3,406	35	1.03
Phoenix Assur. ..	20,010	3,151	15.75
Prudential Assur.	173,739	53,044	30.53
Railway Pas. ..	6,281	2,651	42.21
Royal Exchange ..	38,363	6,527	17.01
Royal Insurance ..	77,903	21,861	28.06
Scottish Metropol.	968	249	36.05
Southern	190	None	....
Sun Assurance ..	1,895	415	21.90
Union Assur.	11,963	1,682	14.06
Union of Canton .	85,620	47,465	55.44
Union Marine ..	12,086	5,237	43.33
World Marine ..	14,592	6,779	46.46
Yorkshire	18,037	4,595	25.48
Totals 1947	892,744	218,459	24.47
1946	790,615	281,431	35.60
Foreign Co's.			
Arex Indemnity ..	6,142	626	10.19
Century Indem. ..	2,090	321	15.36
Commercial Cas. .	4,000	1,864	46.60
Continental Cas. .	8,638	None	....
Employers Rein. ..	4,492	1,501	33.41
Fidelity & Cas. ..	1,723	363	21.07
Foncière Trans. ..	None	103	.....
Gen. Cas. Amer...	1,829	—532	.....
General Rein. ..	6,347	14,539	229.07
Great Amer. Ind. .	7,115	5,637	79.23
Hartford Acci. ..	20,880	8,467	40.55
Indem. Insur. ..	48,503	13,717	28.28
Liberty Mutual ..	5,551	898	16.18
L'rmens Mu. Cas.	4,058	18	0.44
Maryland Cas. ..	93,803	54,263	57.85
Metropol. Casualty	15,218	5,968	39.22
Travelers Insur. ..	91,129	81,544	89.48
United Nat. Ind. .	4,386	558	12.72
United States Fide.	64,781	—1,377	.....
U. S. Guarantee ..	630	226	35.87
Zurich	19,674	—2,294	.....
Totals	410,969	186,410	45.36
1946	324,247	146,320	45.13
Grand totals 1947 .	1,991,209	572,191	28.74
1946	1,653,382	594,761	35.97

(Provincial Licenced Companies)

	Net prems. written	Net losses incurred	Ratio
	$	$	%
Canadian Home ..	1,742	—29	.....
Lloyds	168,935	103,718	67.31
Total	170,677	103,695	67.31

Surety

(Dominion Licensed Companies)
(A)—Group Experience

	Net prems. written (1947)	Net losses incurred (1947)	Ratio
	$	$	%
British America-Western			
British America ..	11,073	463	4.18
British Canadian .	3,103	80	2.58
British Empire ..	2,672	120	4.49
Imp. Guar. & Acc.	6,089	263	4.32
Western Assur. ..	13,985	622	4.45
Total	36,922	1,548	4.19
Canadian Fire			
Canadian Fire ...	15,922	—83	....
Can. Indemnity ..	61,743	1,110	1.80
Total	77,665	1,027	1.32
Canadian General			
Canadian Gen. ...	93,583	—2,084	....
Toronto General .	76,568	—1,466	....
Total	170,151	—3,550	....
Canadian Surety			
American Surety.	18,116	2,398	13.24
Canadian Surety.	137,430	4,057	2.95
Total	155,546	6,455	4.15
Guardian Group:			
Guardian Ins.	17,148	441	2.57
Guardian Assur. .	4,140	1,550	37.44
Total	21,288	1,991	9.35
Dom. of Canada			
Cas. Co. of Can. ..	1,135	....	....
Dom. of Can. Gen.	12,905	3,185	24.68
Total	14,040	3,185	22.69
Commerce			
Can. Mercantile ..	6,558	....	....
Commerce Mut. ..	6,463	....	....
Ocean A. & Guar.	8,130	—969	....
Total	21,151	—969	....
London & Lancashire			
Law Union Rock .	2,600	....	....
Lond. & Lanc. Gr.	11,639	5,693	48.91
Total	14,239	5,693	39.98
Northern			
Northern Assur. .	2,065	....	....
Scottish Metrop. .	258	....	....
World Marine	18	....	....
Total	2,341	....	....
Northern British & Mercantile			
North. Br. & M. ..	1,396	....	....
Rly. Passengers .	625	....	....
Total	2,021	....	....

Personal Accident

(Dominion Licensed Companies)
(A) Group Experience.

	Net prems. written (1947)	Net losses incurred (1947)	Ratio
	$	$	%
British America Western			
British America ..	35,452	10,003	28.22
British Canadian .	14,419	4,286	29.72
British Empire ..	31,040	7,502	24.17
Imperial B & A ..	83,450	25,217	30.22
Western Assur. ..	84,184	24,487	29.09
Total	248,545	71,495	28.77
Canadian Fire			
Canadian Fire ..	4,826	255	5.28
Canadian Indem. .	10,264	1,434	13.97
Total	15,090	1,689	11.19
Canadian General			
Can. General ..	34,796	11,943	34.32
Toronto Gen. ..	28,469	9,771	34.32
Total	63,264	21,714	34.33
Century			
Anglo-Scottish ..	26,378	13,796	52.30
Century Ins.	20,784	10,708	51.52
Total	47,162	24,504	51.96
Commercial Union			
Canada Acc.	41,671	15,376	36.90
Union Assur.	12,436	1,919	15.43
Comm. Union ..	26,090	10,052	38.53
Total	80,197	27,347	34.10
Commerce			
Can. Mercantile ..	3,047	1,033	33.90
Comm. Mutual ..	3,224	1,033	32.04
Total	6,271	2,066	32.95
Dominion of Canada			
Gas. Co. of Can. ..	36,275	11,259	31.04
Dom. of Can. Gen.	204,122	48,452	23.74
Total	240,397	59,711	24.84
General Accident			
Gen. Acc. of Can. .	47,002	17,114	36.41
Gen. Acc. F. & L. .	40,724	15,134	37.16
Total	87,726	32,248	36.76
London Assur			
Guildhall	10,124	3,073	30.35
London Assur ..	6,831	2,168	31.74
Total	16,955	5,241	30.91
London & Lancashire			
Lon. & Lancs. G. .	33,233	13,647	41.06
Law Union & RR	10,887	1,294	11.89
Total	44,120	14,941	33.86
North British			
North British	40,429	10,007	24.75
Rly. Passengers ..	26,941	6,105	22.66
Occidental Fire ..	2,169	260	11.99
Total	69,539	16,372	23.54
Northern			
Lon. & Scottish ..	238	......	....
Northern Assur. .	15,844	3,776	23.83
Scottish Metrop ..	2,524	4,956	196.35
World Marine ..	6,643	1,671	25.15
Total	25,249	10,403	41.20
Norwich Union			
Canada Security .	6,816	3,551	52.10
Norwich Union ..	41,106	12,649	30.77
Total	47,922	16,200	33.80
Phoenix of London			
London G. & A. ..	103,104	31,371	30.43
Union Marine	7,881	1,707	21.66
Phoenix Assur. ..	26,786	6,709	25.05
Total	137,771	39,787	28.88
Royal Exchange			
Royal Exchange ..	4,531	122	2.69
Car & Gen. Ins. ..	1,229	10	0.81
Motor Union Ins. .	1,410	10	0.71
Total	7,170	142	1.98
Royal Liverpool			
Globe Ind.	62,955	16,521	26.24
Liverpool L, Globe	6,995	1,834	26.22
Royal Ins.	64,116	15,865	24.74
Total	134,066	34,220	25.52
Sun			
Sun Insurance ..	38,044	9,107	23.94
Imperial Ins.	8,950	2,278	25.45
Total	46,994	11,385	24.23
U.S. Fidelity			
Fidel. Ins.	6,693	1,766	26.39
U.S. Fid. & G. ..	31,925	6,707	21.01
Total	38,618	8,473	21.94
Yorkshire			
London & Prov ..	4,701	2,501	53.20
Yorkshire	26,045	6,607	25.37
Total	30,746	9,108	29.62
(B) Individual Companies			
Aetna Life	7,052	1,026	14.55
Atlas	12,679	2,263	17.83
Aviation & G. ..	212	......	....
Brit. Aviation ..	35,165	19,336	54.99
Br. Nor'Western ..	12,983	2,927	22.54
Canadian S.	202	......	....
Commercial Cas. .	34,321	19,143	55.78
Century Ind.	808	......	....
Confed. Life ..	10,972	......	....
Can. Home*	119	......	....
Consolidated	2,329	108	4.66
Continental Gas .	1,823,023	548,028	30.06
Employers' Liab. .	238,595	49,988	20.95
Employers Reins .	14,765	3,871	26.22
Equitable Life ...	10,336	268	2.59
Federal F.	976	364	37.30
Fidelity and Cas. .	708	......	....
Gen. Casualty ..	7,002	2,272	32.45
General Reins ..	......	......	....
Gen. Security ..	16,188	14,547	89.86
Gore Dis.	4,276	559	13.07
Great Amer. Ind.	2,463	286	11.61
Gt. West Life ..	187,722	54,400	28.98
Guardian Assur. .	10,124	3,073	30.35
Guardian Ins. ..	90,340	38,139	42.22
Halifax	2,426	2,192	90.35
Hartford Acc. ..	8,209	......	1.54
Home of Can. ..	35	......	....
Indemnity Insur.	59,552	42,300	71.03
Legal & General .	5,971	896	15.01
Lloyds*	303,322	182,586	6.02
L'mbermen's Mut.	157,853	47,228	29.92
Maryland Cas. ..	39,321	9,892	25.16
Metropolitan Cas. .	9,252	3,201	34.60
Metropolitan Life .	337,882	129,188	38.23
North Amer. Acc..	817	114	13.95
Northwest Cas. ..	3,077	......	7.18
Ocean Acc. & G. .	96,595	21,342	22.09
Occidental L. ..	4,955	2,449	49.42
Pearl	10,679	4,473	41.89
Protective	14,050	8,266	58.83
Prudential Assur.	44,077	9,519	21.60
Sask. Mutual*	5,884	949	16.13
Prudential Ins. ..	12,299	12,610	102.53
Scottish Can.	67	....	....
Southern	45	....	....
State Farm Mut. .	11,653	340	2.92
Travelers Insur. ..	790,363	236,623	29.94
Union of Canton .	46,675	19,068	40.85
United Nat. Ind. .	1,078	500	46.38
U.S. Guar.	1,162	......	....
Wawanesa	24	......	....
Wellington	2,748	800	29.11
Zurich	23,486	4,115	17.52
Total	4,516,917	1,498,377	33.17
Grand Totals 1947	5,590,130	1,719,659	30.76
1946	5,085,928	1,437,028	28.54
	5,904,719	1,905,423	32.27

Surety (continued)

	Net prems. written	Net losses incurred	Ratio
Norwich Union			
Canada Security .	1,627	....	....
Norwich Union ..	15,226	1,421	9.33
Total	16,853	1,421	8.43
Phoenix of London			
London G. & A. ..	46,192	25,932	56.14
Phoenix Assur. ..	15,600	15,097	96.78
Union Marine	3,710	....	....
Total	65,502	41,029	62.64
Royal Liverpool L. & G.			
Globe Indemnity .	13,287	4,291	32.29
Liverpool L. & G.	1,704	480	28.17
Royal Insurance .	15,357	4,085	26.60
Total	30,348	8,856	29.18
Sun			
Sun Insurance ...	688	....	....
Imperial Ins.	349	....	....
Total	1,037	....	....
U. S. Fidelity			
Fidel. Ins. of Can.	35,390	—1,381	....
U. S. Fidel. & G.	160,250	37,836	23.61
Total	195,640	36,455	18.63
(B) Individual Companies			
Aetna Casualty ..	27,016	12,332	45.65
Anglo Scottish ...	2,153	1,100	51.09
Canada Accident .	9,772	—4	....
Century Ind.	441	....	....
Canadian Home ..	1,081	....	....
Century Insce. ...	1,490	....	....
Comm. Casualty .	3,528	....	....
Consolidated	2,345	....	....
Dominion Fire ...	5,694	....	....
Economical Mut'l.	4,372	456	10.43
Employers' Liab..	35,533	6,745	18.98
Employ. Reinsur..	4,316	....	....
Federal Fire	2,345	....	....
Fidelity & Cas. ..	776	....	....
Gen. Acc. of Can.	57,926	—1,643	....
General Security .	171	....	....
Gen. Reinsurance.	2,049	....	....
Gore District	5,573	15	0.27
Guar. of N. A. ...	29,043	3,343	11.51
Gt. Amer. Indem..	230	....	....
Halifax	10,688	255	2.39
Hartford Acc.	4,289	—13	....
Indemnity Ins. ...	56,764	....	....
Lumbermen's Mut.	495	....	....
Maryland Cas. ...	14,130	....	....
Lloyds*	46,208	70	0.15
Metro. Casualty .	14,857	....	....
National Surety ..	......	8,000	....
Pearl	29,100	....	....
Prudential Assur..	697	....	....
Royal Exchange ..	20,296	—25	....
Scottish Can.	3,784	....	....
Travelers Indem. .	—15	....	....
United Nat. Ind. .	2,568	....	....
Union Canton	3,311	....	....
Wellington	2,345	....	....
Wawanesa	1,332	....	....
Yorkshire	239	—51	....
Total Ind. Cos. ..	406,942	25,580	6.29
Grand Total, 1947	1,231,686	128,721	10.45
1946	1,229,702	—5,718	....

*Provincial licensed.

Sask. Co-op To Distribute English Cars

From Our Own Correspondent

REGINA — Arrangements have been completed by Saskatchewan Federated Co-operatives Ltd. to become sub-distributors in the province for British-built cars and trucks, the first shipment of which is expected by mid-April.

The co-operative will also handle British-made marine engines and tractors. Working through McNaughton Motors Ltd., Winnipeg, which has the distributing agency for the prairies, it expects to handle about 1,000 units in 1948. This will mark the first time a Saskatchewan co-operative has gone in for distribution of British-made cars and trucks.

The British firm in the deal is Nuffield Exports Ltd., which handles about 20 types of cars, including Morris, Wolseley and Riley; and distributes 29 types of trucks, as well as marine engines and tractors.

Most of the cars will be the small type, capable of carrying four or five passengers. Trucks will range from three-quarter ton up to the five-ton commercial vehicle. Alterations are being made in Britain, so that the cars will meet Canadian conditions, including left-hand drives.

PERUVIAN INTERNATIONAL AIRWAYS has reached an agreement with T.A.C.A. Airways and Royal Dutch Lines KLM. covering the movement of air express from New York and Washington on a single through airwaybill to Central America and the Caribbean area, Don Huff, director of passenger and cargo sales of PIA announced.

At the same time, Peruvian International Airways announced express shipments from New York may be handled on a through airwaybill. Such shipments from New York and Washington to Buenos Aires are made by PIA to Santiago, Chile, where connections are made with the Chilean line, LAN, or the Argentine line, FAMA.

Under the agreement with TACA, express shipments from New York and Washington are taken by PIA to Panama. There connections are made with TACA to Belize, B. H., Guatemala City, Managua, Mexico City, San Jose, C. R., San Salvador and Tegucigalpa.

At Havana, Peruvian International Airways connects with KLM for express shipments to Aruba, Curacao, Bonaire, Ciudad Trujillo, Kingston, Maracaibo, Paramaribo, Port au Prince, Port of Spain, St. Kitts and St. Martins.

"Yes M'am! Sweet Caps are Better than Ever!" Yes, Sweet Caps are better than ever because of the exclusive process called "Perfection . . . Check √"—the process that checks each Sweet Cap you smoke to ensure you cigarette perfection ;;; in freshness ;;; in smoothness ;;; in taste.

Perfection... Check √

SWEET CAPORAL
CIGARETTES

Lily Time, Bermuda

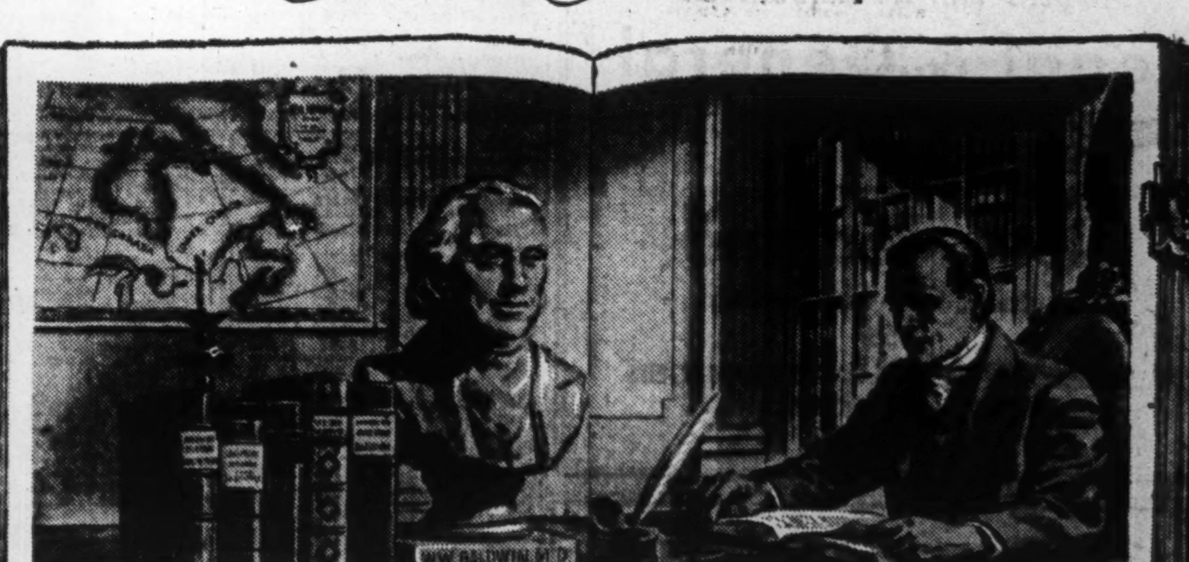
Dear Jane and Jim
April is certainly the loveliest of times in Bermuda. The lilies are a riot of bloom. We swim and loll on the pink sands every day. When you come, bring your golf clubs. And don't forget your dinner clothes. Dancing under this magic moon is a dream come true. Let us know whether you're coming by plane or boat.
Bob and Alice

For new illustrated booklet, write The Bermuda Trade Development Board, 372 Bay Street, Toronto, Canada. Currency restrictions do not affect a Bermuda vacation.

EVERYTHING IS BETTER IN Bermuda

B-108

CALVERT 1622 Famous Families BALDWIN 1804



UNTIL 1848, Canada, divided by race and language, was governed by an Executive Council appointed by the Governor General. William Warren Baldwin, doctor and lawyer, campaigned for unity and an elected government. His ideals were realized when, in 1848, his son Robert, with Louis Hippolyte LaFontaine, formed a united government of elected representatives, later known as the "Great Ministry." Thus, through the unremitting efforts of the members of this Canadian family, was responsible democratic government in Canada finally and indisputably established.

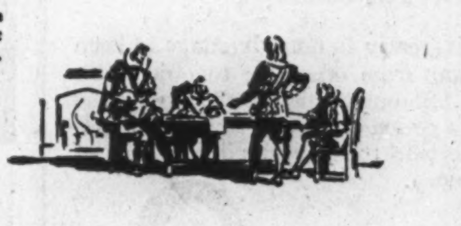
Great Families Create Great Nations

HEAD of the famous Calvert family, Calvert, distinguished English statesman and Secretary of State to King James I, founded pioneer New World colonies in Newfoundland and Maryland, early in the 17th Century.

Calvert's descendants introduced a form of government which prescribed that the laws should be established by the settlers themselves and that there should be no aristocracy. Thus the Calvert family sowed the fertile seed of democracy in the New World.

The family is the corner-stone upon which great nations are built. Let each of us promote within the great Canadian family, the same concepts of freedom and tolerance pioneered by the Calvert family, over three hundred years ago.

The Calvert family inaugurates the first system of democratic government in the New World.



Calvert DISTILLERS (Canada) Limited
AMHERSTBURG • ONTARIO

Quebec Credit Unions Establish Life Company

Will Sell Annuity and Life Insurance Contracts – Opposition Overcome by Dropping Clause Licensing Credit Union Officials as Agents

By a bill passed by the Quebec legislature associated credit unions in that province have been empowered to establish a new mutual life insurance company which will be financed by the credit unions and will be authorized to issue all types of annuities and life insurance contracts.

The Credit union movement is popular in Quebec and membership is reported at between 400,000 and 500,000. The 1,200-odd credit unions are regarded as a combination of savings bank and mortgage lending institution for people in the lower income brackets.

No objection was offered by the established life insurance companies or legal reserve insurance agents except for section 14 in the original bill which authorized the individual credit union to hold licenses as life insurance agents under the Insurance Act and to have their employees solicit business and collect premiums over the counter. The upper house of the provincial legislature dropped this section and the bill was returned to the lower house, where it passed with the section deleted.

The bill although a private one, has the endorsement of the government and of superintendent of insurance Georges Lafrance. The opposition to section 14 arose because many company officials and agents felt that the authorization of credit union employees to sell life insurance would be severe and unfair to the regular life insurance salesmen.

The life underwriters association opposed the bill because they claimed credit union employees would be in a position to force business from members who might be overdrawn on their savings accounts or have mortgage loans with the credit unions. However, this difficulty was removed when section 14 was deleted.

It was felt that licensing credit union officials as insurance salesmen would turn back the clock 20 years during which all concerned with the best interests of life insurance as a public service had bent all efforts to select and train life insurance agents so they could give the best type of service to the public.

Co-ordination In Standards Spells Economy

When it was decided to make the British Valentine battle tank in North America, vital time was lost because the plans were drawn in British fashion from right to left. Some 4,000 drawings had to be done over and then checked on the drawing board in use.

When, on a dozen war fronts, huge stockpiles of spare and repair parts accumulated, a great number were unusable because of similar "minor" difference in what engineers call drawing office practice. One of two articles which looked almost identical would, in important cases, be almost useless because of minute differences in fit.

With industrial co-ordination again the watchword of democratic countries, these experiences, and a recent statement from the Canadian Standards Association, assume a new guise and new importance. The statement:

"Substantial progress" has been made in international co-ordination of engineering drawing office practice. Canada and United States long have been aligned on this procedure but Britain and European countries have conflicted not only with one another but also with North America. Notable example is in the matter of the amount of "play" between parts which join together—what the engineer calls tolerance or "limits and fits."

Ideally, all standards should be alike and interchangeable in our western countries. But only a bare start has been made—in screw threads and tolerances for example—and the ultimate objective may be decades from achievement. Meanwhile, the Standards Association says, modest progress in standardization is saving vast sums in cost of raw materials, labor, sales and servicing — savings which eventually are returned to the consumer in a better article at a lower price.

WINGAIT GOLD MINES advises that 200,000 shares have been sold to Canateenah Ltd., Toronto, for $10,000, payable $5,000 forthwith and $5,000 by April 21. Upon issue of these shares issued capital will be 3,210,000 shares.

ONTARIO HOLIDAY *Scrapbook*

WELL over 1000 feet above sea level—never more than ten minutes out of sight of water—rugged rocky ridges or rolling hills, that sums up Haliburton. There is accommodation to suit every purse. For complete road or train details, write to Ontario Holiday, Room 1004, Victory Building, Toronto.

LET'S MAKE THEM WANT TO COME BACK

Let's see they get the best we have to offer. Everyone benefits from the income tourist business brings to Ontario. So it's in your interest to encourage friends from other parts to share our Ontario Holidays.

TOURIST BUSINESS IS GOOD BUSINESS

One of a series of advertisements about Ontario Holidays published in the Public Interest by John Labatt Limited

Saskatchewan Report Claims Diamond Find

From Our Own Correspondent

REGINA — Have diamonds been discovered in Saskatchewan? John J. Johnson, a northern prospector who works out of Flin Flon says so and widespread interest throughout Canada has been created as a result.

Johnson claims he has found five diamonds, one as large as a marble, but the exact location of the find has not been disclosed. He has made application to the Resources Department for "exclusive prospecing rights for diamonds" in Saskatchewan.

If the diamonds found by Johnson prove genuine, it will mark the first time that these precious stones have been discovered in Canada. Numerous claims of finding diamonds have been made in the past, but the "diamonds" in each case proved worthless.

The possibility that diamonds may actually have been found in Saskatchewan finds the Resources Department moving cautiously, W. J. Bichan, Saskatchewan Director of Mineral Resources, said a complete geological examination of the claim will be made as soon as satisfactory arrangements can be completed with Johnson.

The Department has offered to give Johnson protection in the area in which he claims to have found the diamonds. In return, the area must be divulged to the Department.

Mr. Bichan said Johnson claims to have found the diamonds in Kimberlite, a blue rock in which diamonds are usually located.

JASON MINES has received payment for April 1 underwriting of 133,333 shares at 15 cents a share. Issued capital is 4,732,338 shares.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ST. LAWRENCE PAPER MILLS 1947 net profit was up 54.5%. Total income amounted to $4,646,650 against $3,252,353, which includes dividends from Lake St. John Power & Paper Co. of $665,390 in the latest year against $450,021 in 1946.

Due to more plentiful supply of labor and materials, and a favorable cutting season, and in order to assure full time capacity operations, inventories of pulpwood and advances on woods operations increased very substantialy from $2,171,416 at end of 1946 to $4,242,769 at end of 1947. Capital expenditures amounted to $479,655, made in part in connection with the acquisition of 873 sq. miles of timber limits, involving also surrender of 623 sq. miles of timber limits already held in a less accessible area. The company now holds 1,602 sq. miles of timber limits located in the Lake St. John area, at Trinity River and at Riviere du Loup. During the year the company's plant at Three Rivers, Que., operated at 98.7% of rated capacity, producing an all-time record of 187,255 tons of newsprint, or 14,818 tons in excess of previous record in 1946.

A new plan for reorganization of share capital will soon be announced to shareholders.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings*	$4,646,649	$3,252,353
Less: Deprec.	850,000	850,000
Depletion	57,963	50,849
Pension fund	223,877	60,000
Spec. exp.	66,588	......
Income taxes res.	1,530,000	1,050,000
Net profit	1,918,221	1,241,504
Less: Pref. divds.	1,217,409	842,299
Surplus for year	700,812	399,205

*Incl. prem. of $821,445 in 1946 on U. S. funds; dividends of $665,390 in 1947, $450,022 in 1946, from Lake St. John P. & P.

Earnings per Share and Dividend Record:

	1947	1946
PPref.: Earned	$15.36	$9.94
Paid or pay.	6.00+3.75‡	6.00+0.75‡
Common: Earned	2.37	0.96
None paid.		

‡Arrears.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$781,024	$2,382,532
Accts., bills, etc. rec.	1,746,971	4,444,240
Inventories	4,740,361	2,605,615
Total curr. assets	7,268,356	6,432,386
Cash on dep.	88,205	......
Subs. inv. & adv.	4,373,330	2,891,896
Prepd. chgs.	126,151	143,761
Fixed assets*	6,566,182	6,994,490
Total assets	18,422,224	16,462,543
Total curr. liab.	2,743,237	1,484,368
Contingent res.	100,000	100,000
Capital stock	13,002,175	13,002,178
Capital surplus	861,434	861,434
Earned surplus	1,715,378	1,014,566
*After depr. & depl.	8,632,320	7,724,356
Working capital	4,525,119	4,948,028

LAKE ST. JOHN POWER & PAPER 1947 net profit was up 53.4%. Operating profits increased from $2,875,467 to $3,870,196. Logging operations during 1947-48 season were very satisfactory and, assuming favorable driving conditions, sufficient pulpwood will be available to permit continued operations at full capacity during 1948, the annual report states.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings†	$3,867,784	$2,875,467
Less: Deprec.	506,585	495,305
Depletion	184,177	101,178
Bond int.	164,373	220,000
Deb. int. accr.	149,980	149,980
Pension fund	101,698	28,000
Prov. for taxes	1,425,000	1,028,102
Add: Invest. prof.	2,412	17,300
Net profit	1,338,383	872,[illegible]
Less: Pref. divds.	108,000	108,000
Com. divds.	600,000	400,000
Surplus for year	630,383	364,[illegible]

†Including $576,075 in 1946, premium U. S. funds.

Times Interest Earned‡:

	1947	1946
Bonds:		
Before deprec.	22.42	12.69
After deprec.	19.34	10.44
Debentures:		
Before deprec.	23.48	17.15
After deprec.	20.10	13.84

‡After depletion.

Earnings per Share and Dividend Record:

	1947	1946
Pref.: Earned	$74.35	$48.46
Paid or payable	6.00	6.00
Common: Earned	12.30	7.64
Paid	6.00	2.00+2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$80,254	$256,101
Accts. & bills rec.	1,063,220	856,489
Inventories	5,326,528	3,659,345
Total curr. assets	6,470,002	4,771,935
Misc. assets	61,873	65,277
Fixed assets	14,317,374	13,428,192
Total assets	20,849,249	18,265,404
Total curr. liab.	2,815,428	1,533,158
Funded debt	5,980,600	5,989,600
Depr. & depl. res.	7,886,559	7,195,797
Other reserves	408,943	408,943
Capital stock	2,300,000	2,300,000
Capital surplus	78,770	......
Earned surplus	1,378,949	827,906
Working capital	3,654,574	3,238,777

RENFREW TEXTILES LTD. 1947 net profit was up from previous year at $37,208 ($21,888). Orders already on company books are sufficient to operate well into the fall of this year, the annual report states. Management looks to this year's operations with confidence.

INCOME ACCOUNT

Years Ended Dec. 31:	‡1947	1946
Net earnings	$81,156	$45,134
Less: Deprec.	16,955	8,416
Bond int.	1,338	1,563
Negot. refund	616	......
Income tax	25,039	15,517
Add: Invest. sale	......	2,250
Net profit	37,208	21,888
Less: Cl. A divds.	15,000	7,500
Surplus for year	22,208	14,388

‡Consolidated.

Earnings per Share* and Dividend Record:

	1947	1946
Cl. A Earned	$1.49	$0.88
Paid	0.60	0.30
Cl. B. Earned	0.40	0.12
None paid.		

*Based on present capitalization; full year's cl. A divd. deducted before cl. B earnings.

CONDENSED BALANCE SHEET

As at Dec. 31:	‡1947	1946
Cash	$18,436	$44,516
Accts., etc., rec.	88,713	71,445
Inventories	145,155	104,093
Total curr. assets	252,304	220,054
Prep. exp., etc∆§	3,155	11,135
Fixed assets*	482,428	386,553
Total assets	737,887	617,742
Bank loan	......	6,500
Accts., tax., etc., pay.	70,576	43,825
Total curr. liabs.	70,576	50,325
Bond prem. res.	......	500
Invent. res.	17,371	18,959
Funded debt	110,000	20,000
Capital stock	224,100	224,100
Capital surplus	229,244	229,244
Earned surplus§	86,596	74,614
*After depr. of	170,966	155,996
∆Incl. ref. EPT	......	3,810
§Incl. ref. EPT	3,277	3,810

§Incl. in curr. assets in co's. report in 1947.

‡Consolidated.

Working capital	181,728	169,729

GUAYANA MINES says that an additional 173,250 shares have been allotted to various subscribers, all nonresidents of Canada, at 50 cents a share. An additional 22,687 shares have been taken up at 50 cents a share under offering of rights to shareholders of record Oct. 15, 1947. Issued capital is 3,879,739 shares.

IN ANY COMBINATION OF PAPERS

USED TO REACH THE OTTAWA MARKET LE DROIT IS A MUST

An Outstanding Year in Metropolitan's History

"1947 was one of the best years in the history of the Metropolitan Life Insurance Company.

"The Company's financial position was excellent. In Canada and the United States more Metropolitan policyholders than ever before enjoyed the blessings of life insurance. Through investments, the Company played a bigger role than in any preceding year in helping to keep the wheels of industry turning . . . to provide jobs and homes . . . and to maintain high standards of living.

"However, the year was not without its problems. Insurance costs were higher because of lower interest rates, and because of the prevalent increase in the cost of goods and services."

President Leroy A. Lincoln reported these facts in his account of the Company's 1947 activities in a motion picture entitled "Pages From An Open Book." Here are some other important facts about 1947 presented by Mr. Lincoln:

—Payments to policyholders and beneficiaries totalled $671,000,000 — topping all records.

—More than 2,300,000 people bought Metropolitan policies during the year. The total of Metropolitan policyholders reached 32,384,000.

—At the year-end, policyholders owned a total of $37,250,000,000 of Metropolitan protection — the greatest amount in the Company's history.

—Metropolitan will pay in 1948 somewhat more in dividends to policyholders than in 1947, although there will be downward adjustments for certain classes of business.

Mr. Lincoln also reported that last year a committee representing all State Insurance Departments completed, as required by law, a periodic examination of Metropolitan. In their conclusions, the examiners reported:

"The examination of the Metropolitan Life Insurance Company indicates that it is in a sound financial condition."

"Policy claims are paid promptly, and fair and equitable treatment has been accorded the policyholders."

Metropolitan's Annual Report for 1947, which is entitled "Pages From An Open Book," contains much additional information about the Company's operations. If you would like to have this booklet, fill in and mail the coupon below. A copy will be sent to you without charge.

OBLIGATIONS AND ASSETS DECEMBER 31, 1947

OBLIGATIONS TO POLICYHOLDERS, BENEFICIARIES, AND OTHERS

Policy Reserves Required by Law	$7,333,537,964.00
This amount, together with future premiums and reserve interest, is required to assure payment of all future policy benefits.	
Reserved for Future Payment Under Supplementary Contracts	373,634,251.42
Policy proceeds from death claims, matured endowments, and other payments which beneficiaries and policyholders have left with the Company to be paid out to them in future years.	
Policyholders' Dividends Left on Deposit	64,747,219.00
Reserved for Dividends to Policyholders	141,215,117.00
Set aside for payment in 1948 to those policyholders eligible to receive them.	
Policy Claims Currently Outstanding	34,085,580.50
Claims in process of settlement, and estimated claims that have occurred but have not yet been reported to the Company.	
Other Policy Obligations	33,550,654.32
Including premiums received in advance, etc.	
Taxes Accrued	17,704,521.00
Including estimated amount of taxes payable in 1948 on the business of 1947.	
Contingency Reserve for Mortgage Loans	21,000,000.00
All Other Obligations	29,389,937.42
TOTAL OBLIGATIONS	$8,048,865,244.66

ASSETS WHICH ASSURE FULFILMENT OF OBLIGATIONS

Government Securities		$3,876,921,624.32
U.S. Government	$3,632,510,803.00	
Canadian Government	244,410,821.32	
Other Bonds		2,710,589,958.79
Provincial and Municipal	$74,399,932.15	
Railroad	510,214,387.99	
Public Utility	975,681,105.50	
Industrial and Miscellaneous	1,150,294,533.15	
Stocks		105,388,903.00
All but $1,565,382.00 are Preferred or Guaranteed.		
First Mortgage Loans on Real Estate		964,666,721.19
Farms	$86,117,937.09	
Other Property	878,548,784.10	
Loans on Policies		343,301,733.81
Made to policyholders on the security of their policies.		
Real Estate (After decrease by adjustment of $25,000,000 in the aggregate)		208,752,510.79
Housing projects and other real estate acquired for investment	$139,090,580.35	
Properties for Company use	35,015,955.07	
Acquired in satisfaction of mortgage indebtedness (of which $19,098,579.96 is under contract of sale)	59,645,975.37	
Cash and Bank Deposits		156,258,124.20
Premiums, Deferred and in Course of Collection		124,836,913.79
Accrued Interest, Rents, etc.		57,706,111.28
TOTAL ASSETS TO MEET OBLIGATIONS		$8,548,422,601.17

Thus, Assets exceed Obligations by	$499,557,356.51
This safety fund is made up of:	
Special Surplus Funds	$72,281,000.00
Unassigned Funds (Surplus)	$427,276,356.51

This fund, representing about 6 per cent of the obligations, serves as a cushion against possible unfavorable experience and gives extra assurance that all policy benefits will be paid in full as they fall due.

NOTE — Assets carried at $412,328,264.37 in the above statement are deposited with various public officials under requirements of law or regulatory authority.

SOME FACTS ABOUT METROPOLITAN'S OPERATIONS IN CANADA

These highlights of the Company's business in the Dominion during 1947, our 75th year in Canada, will be of particular interest to Metropolitan's Canadian policyholders and their beneficiaries.

Life Insurance in Force

In 1947, Canadians bought $209,634,649 of new Life insurance protection in the Metropolitan, bringing the total of the Company's Life insurance in force in Canada to over 2 billion dollars at the year-end. This amount — $2,083,391,707 — is made up of 58% Ordinary, 31% Industrial and 11% Group.

Payments to Policyholders and Beneficiaries

Metropolitan paid in 1947 to its Canadian policyholders and their beneficiaries $36,222,913 in death claims, matured endowments, dividends and other payments. Of this, 69% was paid to living policyholders.

The total amount the Metropolitan has paid to Canadians since it entered Canada in 1872; plus the amount now invested in Canada, exceeds the total premiums received from Canadians by more than $306,000,000.

Total Investments in Canada

The Company's total investments in Canada amounted to $480,303,977 at the end of 1947. Of this amount, 51% is in Dominion of Canada Bonds. Since the close of the war Metropolitan's new investments have gone increasingly to help meet the needs of industry and the community, just as they were doing before the war.

Health and Welfare Work

During 1947, a total of 234,835 nursing visits was made to those insured under Metropolitan Industrial, Intermediate, and Group policies in Canada; over 1½ million pamphlets on health and safety were distributed, and the Company took part in 54 Canadian health campaigns.

Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

HOME OFFICE: NEW YORK

FREDERICK H. ECKER, CHAIRMAN OF THE BOARD

LEROY A. LINCOLN, PRESIDENT

CANADIAN HEAD OFFICE: OTTAWA

GLEN J. SPAHN, SECOND VICE-PRESIDENT IN CHARGE

METROPOLITAN LIFE INSURANCE CO.
Canadian Head Office — Ottawa, Canada

Gentlemen:

Please send me the booklet of your Annual Report to Policyholders, "Pages From An Open Book."

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STREET...............................

CITY.......................PROV..........

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What's Lesson of Postwar I Slump?

Here's How Free Play of Economics Kept It Short, Sharp

—What's the lesson of the slump which followed the inflation period of Postwar I?

The free play of uncontrolled economics cut short that inflationary period, as discussed in an earlier article (The Financial Post, March 27). By the same token, the slump was "short and sharp."

Drawing on the experience of these periods, the question discussed here is: "Have we robbed the 'Bust' of Postwar II to build the Boom — and then what?"

BY BRUCE MACKINNON
Maclean-Hunter Editorial Research

If free market policies broke the Postwar I inflation in double-quick time, what did these policies mean in the slump that followed?

Advocates of price control have used the Postwar I slump as a horrible warning of what would happen if we didn't control prices in World War II. But on looking backward, the slump does not appear quite so terrifying.

For one thing, it was short and sharp. The average cost of living in 1920 stood at 145.4%. Two years later, it was down to 120.4, a fall of nearly 9% per annum. By contrast, living costs in the Big Depression fell from 121.7 in 1929 to 94.4 in 1933, an average rate of decline of approximately 5½% per annum. The drop in Postwar I was much sharper, but carried lighter penalties.

The 1920 slump was also shorter. As far as the investment market was concerned, it lasted for only about a year, for by January, 1921, confidence was returning to the Victory Bond market, and this confidence gradually spread to preferred stocks and other securities.

It's a little more difficult to determine how long the slump in employment lasted. Two good indices are available, one from employers and one from the trade unions.

The trade union figures shows the shorter period. According to the unions, employment reached its peak in June, 1920, and touched bottom in March, 1921. At the bottom, there were 15% fewer trade union members employed than at the peak.

The figures put out by the employers show a peak of 109 (Jan. 1920 was taken as 100) in July, 1920. By March of 1921, the employers' figure was down to 84, after which it began to climb quite sharply.

Hit Bottom in March

But in the seasonal downturn the following January, the employers' index fell off sharply again; touched 79 and then returned to higher levels than it had reached in 1921. Since the fall of 1921 was better than the fall of 1920, there is ground for reasoning that the real bottom of employment was March, 1921. Perhaps this is the proper conclusion, although it is important to bear in mind that more seasonal workers were out of jobs in January, 1922.

Employers' returns show a drop of 23% from the peak at March, 1921, and a drop of 27½% at January, 1922.

These figures, of course, are averages, and they apply chiefly to manufacturing. Experience of different trade unions varied widely.

For example, no unemployment was reported by trade unions engaged in the fishing industry during the summer of 1920. A year later, 25% were unemployed, and there was no sign of an improvement by the end of '21. The clothing trades, with virtual full employment in the summer of '20 had over 60% unemployment a year later, and although there was a sharp improvement in the fall, the December lay-offs found 60% again out of work.

On the other hand, the textile, carpet and cordage unions had only two bad months during the entire readjustment, December, 1920 with 10% unemployed, and January, 1921 with 55%. Outside of those two months, unemployment in this group did not exceed 5.15%. The printing trades never showed more than 9.29% unemployment, pulp and paper stayed below 12% throughout. The building trades, which reported 2% unemployment at the peak of the 1920 building season, reported 11.72% unemployment a year later.

Varied With Provinces

Returning to the trade union tallies for a breakdown by province, you find that the peak of unemployment came at different times in the different provinces. Ontario and British Columbia hit bottom first, in February, 1921. Most of the other provinces reached the low point in the following two months; but Quebec did not until December, 1921; Manitoba and Saskatchewan not until January, 1922.

The important point about these employment indicators is that deflation, even a sudden one, does not throw everyone out of work overnight. The process is fairly gradual and piecemeal. Individual trades might make lightning adjustments, but they do it by turns. The amount of unsatisfied demand, the extent to which prices had got out of line, varied with each group and decided the time for each to go through the wringer.

Average wage rates show the same diverse trend. Most of the labor then classified showed a peak in 1920; then fell off through 1921 with the bottom in 1922. and upturn appearing again in 1923. This was true of the average of six major labor groups in Canada—peak of 192.1 in 1920, low of 176.8 in 1922, recovery to 178.4 in 1923. The drop from high to low was 8½%.

But the printing trades went steadily up, with a wage index of 184.0 in 1920, 193.3 in 1921, 192.3 in 1922. Only in 1923 did the printers' wages show any decline, and then only to 188.9 on the index—still well above the 1920 figure.

On the other hand, wage rates in lumbering took their entire licking in 1921—a reduction of 25% from 1920—and then turned upwards. By 1923 they were only 15% below the 1920 peak.

The key to the wage deflation was in the position of the individual industry. For example, some of the silver mines around Cobalt closed down tight when the price of silver crashed in 1920. They didn't and couldn't open up again until wages came down. One mine hired the men back at a 15% reduction. Coal mines, on the other hand kept going, paying higher wages in 1921, 1922 and 1923 than they had in 1920.

Wage Rates Better

Incidentally, all major wage groups survived the slump with considerably better wage rates than in 1919. And the 8½% drop in rates between 1920 and 1922 compared with a cost of living drop of nearly 25% in the same period.

Unfortunately, it is difficult to combine the figures of employment and wage rates to get at the average earnings of employees. One tabulation showed the median, or most common wage in manufacturing dropping from $25.97 in 1920 to $22.64 in 1921—a cut of just under 13%

Total wages and salaries paid out in manufacturing are another indicator of what happened. Here is the trend:

Year	Wages & Salaries $ Millions
1920	732.1
1921	518.8
1922	510.4
1923	571.5

This is a maximum drop of 30% or slightly more than the drop in living costs in the same period. It must be recognized, however, that the 1920 figures reflected a condition of overemployment with many housewives, oldsters and juveniles swelling the payrolls. Their disappearance from the total did not necessarily mean that the incomes of established workers suffered proportionately. What happened to the regular worker is perhaps best indicated by the 8½% drop in wage rates. Incidentally, the 1922 low of $510.4 millions compares with a 1917 figure of $509 millions and a 1915 tally of $283 millions. Labor's wartime gains were by no means liquidated in the slump.

Farms Hard Hit

The drop in agriculture was more severe and the recovery less rapid, reflecting, perhaps, the substantial increases in acreage that had occurred in Canada and elsewhere during the war. Here is the record of gross agricultural income:

Year	Gross Income $ millions
1918	1,882
1919	2,109
1920	2,011
1921	1,384
1922	1,389
1923	1,350
1924	1,453

These figures, taken on the gross values, include a good deal of duplication. Coarse grains, for example, appear at their market value, and appear again in the market value of the livestock to which they were fed. As a result the gross figures exaggerate the extent of the boom and also of the slump. The net income of farmers were not as big as shown, nor did they drop as sharply.

Although a slide of this magnitude must have brought a good deal of hardship, particularly to the johnny-come-lately who bought farm land at the 1920 peak, there seemed to be little evidence of it in the press. In 1921, for example, it was reported that farm buying of luxury goods was holding up better than city purchases.

One of the indicators to which one would look for signs of general hardship is the real estate holdings of insurance companies and other mortgage lenders. This is a rough yardstick of the mortgages which have soured. Yet Canadian life insurance holdings of real estate stood at $17 millions in 1920, had only risen to $26 millions by 1924. Percentagewise, this is a big jump. But a rise of $9 millions for all of Canada is negligible.

Was Recovery Speedy?

Discussion with mortgage lenders shows the real answer was not in the extent of the slump, but in the speed of readjustment. They point out that most borrowers can face a sharp cut in income and a severe drop in property values, providing the recovery is quick. All that happens is that an interest payment or two is defaulted; but there is no necessity for foreclosing or even making a major adjustment in the mortgage.

At the time, of course, nobody seemed to think the readjustment was particularly speedy. There was a good deal of lamentation over the slowness with which, according to manufacturers, retailers were passing along the price cuts to the public. It was frequently alleged, again, mainly by manufacturers, that the producers had taken their trimming but that the distributors were still trying to unload inventories at the old prices.

It would be very difficult to prove the truth of this, but it was clear that in many lines—shoes and clothing in particular—factories were shut down tight and reopened with a new and lower price, cost and profit structure.

Quite obviously, the old pattern of inventory profits followed by inventory losses bedeviled the recovery. There was no LIFO system of inventory valuation at the time, and it was clear that boomtime profits and slumptime losses were both exaggerated, with the usual bad effects. It seems a fair assumption that the cautious inventory policies that have been so widely recommended in Postwar II, plus LIFO inventory controls wherever they have been introduced, will help to speed any readjustment that may lie ahead.

Interest Rates a Factor

Of all the factors which made for a quick comeback, the interest and exchange rates were perhaps the most important. At the beginning of 1920, The Financial Post's New York correspondent was able to talk like this:

"The closing days of 1920 saw the Canadian dollar at the highest discount it had ever reached—over 16% . . . American investors readily subscribed to issues of gilt-edge securities which could be bought, thanks to a discount on the Canadian dollar, at prices which made the yields almost unbelievably high."

As already pointed out, the Canadian investment market rounded the corner about the end of 1920. Investors had had to take a licking estimated at around $200 millions. But the combination of high yields at home and a cheap dollar abroad quickly brought a return of confidence in high-grade Canadian securities.

Looking back on it, it seemed that the boom and slump were so quick that people did not have enough time to get poor. Roger Babson, at the beginning of 1921 was able to say that the great mass of the people still held their Victory Bonds. Probably the answer was that they hadn't had time to spend them.

Rob Bust to Build Boom?

It is also worth considering that there had been no "double-depreciation" clause to spur investment during the boom. During Inflation II, this type of assistance has been employed in some $1,400 millions of plant expansion and other forms of investment. Since there was a time limit on the period during which double depreciation would be allowed, it is probable that some of that $1,400 millions of boom spending has anticipated expansion that might have taken place during the slump. Have we robbed the bust to build the boom?

This sort of consideration is a vital part of any effort to predict the timing or extent of any coming readjustment.

The antidepression machinery has yet to have its field test. We don't know whether it will really work, whether the many governmental innovations since 1921 will speed or slow the process.

For examples:

Unemployment insurance and family allowances put a floor of $17.40 a week under the earnings of a married man with two young children. This will obviously tend to sustain purchasing power. But will it make for a slow or rapid readjustment in wage rates where these are out of line? Will prospective increases in job insurance benefits, which would raise the floor to about $20 a week, aggravate or improve the situation?

Will the greater degree of unionization, and the full coffers of the unions prolong the process of bringing excessive wage rates into line?

Will low interest rates pay off? Or will industry, having had low rates all along, fail to react? (Same question applies to the building of new homes.)

It is an obvious fact that most of the antidepression machinery has been put into action during the present boom. This probably accounts for the boom having lasted about twice as long as it did in Postwar I. It is possible that a slump, if it comes, could be similarly prolonged by government intervention.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BRITISH AMERICAN BANK NOTE CO. 1947 net profit was off sharply at $176,075. Due to reduced volume of sales, higher labor and material costs and special charges incidental to occupation of company's new plant, the record rate of profit established in 1946 was not maintained in 1947. Foreign business which accounted for a good proportion of sales in 1947 is being maintained in 1948.

The company's new plant on Gladstone Ave., Ottawa, was occupied in Dec., 1947, and will be fully completed this month. Total cost of new building will be around $1.5 million.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$341,021	$787,334
Less: Deprec.	44,816	44,417
Debent. int.	961	......
Moving exp.	26,494	......
Income tax.	100,472	395,006
Add: Invest. prof.	7,797	1,556
Net profit	176,075	349,467
Less: Divds.	150,000	150,000
Surplus for year	26,075	199,467
Earnings per Share and Dividend Record:		
Common	$1.17	$2.33
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$74,882	$24,382
Accts. rec.	100,715	71,354
Investments*	306,821	733,054
Accrued revenue	......	158
Inventories	304,533	359,249
Total curr. assets	786,951	1,188,197
Misc. assets‡	197,193	229,426
Fixed assets†	1,512,089	1,456,830
Total assets	2,496,233	2,874,453
Customer deposits	......	55,825
Accts. & tax. pay.	145,278	327,874
Total curr. liab.	145,278	383,699
Funded debt	800,000	......
Deprec. reserve	......	954,770
General reserve	100,000	100,000
Capital stock	300,000	300,000
Surplus▲	1,150,955	1,135,984
†After deprec. of	950,043	......
*Market value	288,479	729,241
‡Incl. ref. EPT	196,136	228,615
▲Incl. ref. EPT	228,615	228,615
Working capital	641,673	804,498

NUCLEAR ENTERPRISES LTD. 1947 operations resulted in a net loss of $14,642 as against a net profit of $45,994 for 1946. During the year all accounts receivable, open on Dec. 31, 1946, were collected in full. Since settlement of these claims there has been a further substantial reduction in company's expenses, the annual report states.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net oper. profit	■$14,642	$81,194
Less: Inc. tax res.	......	35,200
Net profit	■14,642	45,994
Less: Dividends	400,552	......
Surplus for yr.	■415,194	45,994
■Loss or Deficit.		
Earnings per Share and Dividend Record:		
Com.: Earned	d$0.15	$0.45
Paid	4.00	......

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$1,241,896	$786,612
Accts. rec.	......	5,191
Gov't claims	......	1,481,350
Total curr. assets	1,241,896	2,273,153
Prepaid exp.‡	843	......
Refund. EPT	906,000	874,000
Fixed assets	1	1
Total assets	2,148,740	3,147,154
Total curr. liab.	289,117	942,597
Capital stock	519,600	519,600
Surplus▲†	1,340,023	1,684,957
▲Incl. ref. EPT	906,000	874,000

†In 1946 reflects renegotiation and adjustments of war contracts, and trans to conting. res.
‡Included in current assets in co's. report.

Working capital	952,779	1,330,556

MONARCH KNITTING CO. 1947 net profit was up 4.4%. Reduction in provision for taxes helped to overcome a somewhat smaller operating profit. Business at large experienced an impact of inflationary tendencies to a marked degree, the annual report states. These conditions had an effect on company operations, in that cost of raw materials, wages and expenses spiralled with the general trend.

New equipment and modernization program to year end cost some $866,000. It is estimated installed costs of equipment now on order and still to be delivered amount to some $235,000. While all divisions and plants have shared in modernization program, the largest expenditure has been made at the woollen spinning division in Toronto.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Oper. profit	$924,340	$1,037,969
Less: Depreciation	215,359	151,614
Inc. tax res.	384,000	575,000
Net profit	324,981	311,355
Less: Pref. divds	20,000	11,362
Com. divds.	91,800	51,000
Surplus for year	213,181	248,993
Earnings per Share and Dividend Record:		
Preference■	$65.00	$103.79
Paid (4½%)	3.00	....
Paid	1.6667	3.75
Common	2.99	2.91
Paid	0.80+0.10	0.50

■4½% pref. in 1947, 5% in 1946.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$390,727	$425,292
Accts. rec.	928,998	642,002
C. s. v. life insur.	......	22,366
Inventories	1,345,722	890,685
Total curr. assets	2,665,447	1,980,345
Prep.) ins.§	......	39,042
Misc. assets▲	158,687	132,849
Fixed assets*	1,445,062	1,110,151
Total assets	4,269,196	3,262,387
Total curr. liab.	917,493	761,337
Funded debt	1,400,000	960,000
Capital stock	1,010,000	810,000
Surplus▲	‡941,703	‡731,050
▲Incl. ref. EPT	108,244	108,244
*After depr. of	1,631,186	1,456,155

‡Incl. $213,580 spec. surp. from sale of fix. assets in 1946, $226,052 in 1947.
§Incl. in curr. assets in co's. report.

Working capital	1,747,954	1,219,008

A. J. FREIMAN LTD. 1947 net profit was up slightly from 1946 at $286,758 ($280,294). During the year the major part of the construction and renovation program was completed, and it is believed the increased premises which were made available assisted greatly in establishing an all-time sales record, the annual report states. The increased business, together with the abolition of Government regulations on credit sales, made for the substantial increase in accounts receivable. These factors are reflected in the increase in bank loans.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$705,092	$814,906
Less: Deprec.	90,899	51,982
Amort. of improv.	2,778	2,911
Mtge. int.	14,328	......
Bad debts res.	100,997	......
Invent. res.	......	84,119
Income tax	226,600	395,600
Add: Asset sale prof.	17,268	......
Net profit	286,758	280,294
Less: Pref. divd.	39,715	164,971
Common divd.	63,751	10,625
Surplus for year	183,292	104,698
Earnings per Share and Dividend Record:		
Preferred	$32.95	$31.14
Paid (new)	4.50	2.25
Paid (old)	......	3.00+13.50
Common	2.91	2.75
Paid	0.50+0.25	0.12½

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$146,466	$529,366
Accts. rec.	1,543,637	884,374
Inventories	1,339,919	1,422,465
Total curr. assets	3,030,022	2,836,205
Misc. assets▲	362,129	272,166
Fixed assets	2,910,570	2,408,567
Leasehold improv.	......	8,334
Total assets	6,302,721	5,525,272
Bank loans	1,038,492	263,076
Accts. & tax. pay.	1,037,309	1,379,974
Total curr. liab.	2,075,801	1,643,050
Mtges. pay., etc.	332,406	250,000
Deprec. res.	944,562	845,490
Invent. res.	270,990	270,990
Capital stock	1,346,100	1,375,700
Capital surplus	30,165	......
Earned surplus▲	1,302,697	1,140,042
▲Incl. ref. EPT	182,171	182,171
Working capital	954,221	1,193,155

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KENT BUILDING — TORONTO
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A-25

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CROW'S NEST PASS COAL CO. 1947 net profit was up sharply at $235,603 ($37,078). Coal mined amounted to 958,907 tons as compared with 871,109 in 1946. The increase is the result of strip mining which was undertaken from an area adjacent to the Michel colliery. This strip operation produced 153,394 tons in 1947.

There is still a shortage of skilled miners for underground operations. Coke produced amounted to 104,155 tons (74,066 tons). Every effort is being made to increase production of coal and coke in 1948, the annual report states. The company continues to enjoy an excellent demand for its total production and this appears likely to continue during 1948. Prices on all products were increased on Feb. 17, 1948, in an amount sufficient to reimburse the company for additional costs resulting from a new wage agreement with employees.

As at year end the company has investments of $774,070 in Dom. of Canada bonds. Net capital expenditures made by the company and its subsidiaries during the year amounted to $430,270.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net oper. earn.	866,986	$533,008
Add: Other inc.	40,383	45,805
Less: Deprec, Amortization, Depletion	544,941	519,550
Inc. tax res.	126,825	22,185
Net profit	235,603	37,078
Less dividends	186,354	186,354
Surplus for year	49,249	*149,276
*Deficit		
Earnings per Share and Dividend Record:		
Com.: Earned	$3.79	$0.60
Paid	3.00	3.00
Tax recov.	28,185	......

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$99,868	$286,506
Accts. rec.	723,951	476,175
Bonds and secs.*	774,147	774,082
Inventory	456,724	406,556
Total curr. assets	2,082,875	1,943,319
Miscellaneous§	420,033	184,591
Subsid. shares	335,690	335,690
Cls., plant equip.▲	2,715,324	2,877,112
Total assets	5,553,922	5,340,712
Accts. & tax. pay.	309,925	108,829
Due to subsid.	34,867	25,498
Total curr. liab.	343,992	134,327
Unclaimed divds.	6,908	7,208
Refund. EPT	28,185	28,185
Capital stock	6,212,667	6,212,667
Less: Deficit	1,037,830	1,041,875
▲After depr. of	6,036,206	5,491,266
*Market value	790,094	791,325
§Incl. ref. EPT	......	28,185
Working capital	1,738,883	1,808,992

GENERAL TRUST & EXECUTOR CORP. net profit for the year ended Feb. 29, 1948, amounted to $15,815 as compared with $26,862. Total assets have risen to $4,195,050 — up $600,000 on the year and made up of $350,000 in guaranteed trust account and $250,000 in estates, trusts and agencies. First mortgage investments show an increase of $363,000 at the present total of $1,593,851. Payments have been met in a satisfactory manner with no interest due and uncollected at year end.

	1948	1947
Liab. to public, etc.*.	$1,649,432	$1,298,258
Shareholders' equity	382,805	378,990
Contingency res.	10,000	10,000
*Secured by:		
Mortgages	1,593,851	1,230,757
Office premises	54,531	51,466
Liquid assets§	393,855	405,025
Total	2,042,237	1,687,248
§Includes bonds and stocks.		
Estates account	2,152,813	1,898,993
Earned per share	$5.27	$8.95
Paid	4.00	4.00

ST. LAWRENCE CORP. 1947 net profit was off substantially from previous year at $181,744 ($287,476). The three manufacturing subsidiaries of the corporation made the largest gross earnings in their history. Income of the corporation, however, consisted solely of dividends declared by Brompton Pulp & Paper, amounting to $299,054.

Revised proposals for reorganization of corporation's share capital are now being discussed and it is hoped to place these before shareholders before end of month. It is intended that provision for dividend on class A shares will be included in the new plan.

Share interests held by the public in the companies controlled by St. Lawrence Corp were further reduced during the year. As at April 12, 1948 of the 514,675 shares of St. Lawrence Paper Mills common stock outstanding, 513,168 shares are held by the corporation; and of the 300,000 shares of Brompton Pulp & Paper common stock, 299,707 shares are held by the corporation. The public holds all the 124,875 shares of St. Lawrence Paper Mills preferred stock outstanding. In turn, St. Lawrence Paper Mills holds all the 18,000 outstanding preferred shares of Lake St. John Power & Paper and 99,233 of the 100,000 oustanding common shares.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Brompton divd.	$299,054	$298,953
Less: Expenses	14,081	11,477
Spec. expense	83,229	......
Reorg. exp. prov.	20,000	......
Net profit	181,744	287,476
Less: Pref. divd.	264,151	264,047
Surplus for year	*82,407	23,429
*Deficit.		
Earnings per Share and Dividend Record:		
Pref.: Earned	$0.69	$1.09
Paid or payable	1.00	1.00
Com.: Earned▲	d0.60	d0.41
None paid.		
▲After full year's pref. divd.		

GENERAL BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$1,241	$40,619
Subs. divd. rec.	74,827	74,740
Invests.*	15,034,092	15,015,073
Furn. & fixt.	1	1
Total assets	15,110,161	15,130,433
Accts. pay.	24,279	......
Divd. pay.	66,100	66,013
Reorg. res.	20,000	......
3½% debent.	300,000	300,000
Capital stock	13,802,643	13,784,874
Capital surplus	895,086	895,086
Earned surplus	2,053	84,460
*Consisting of Shares of:		
St. Law. P. Mills	513,168	512,749
Brompt. P. & P.	299,307	298,959

BURNS & CO. 1947 net profit was up 9.3%. Company sales were $64,241,565, a drop of 5% from 1946. Over-all sales of company and subsidiaries were up from $110,454,633 to $111,890,693. Net profit from packinghouse operations was $321,217 ($234,308). Export sales for year totaled $10,498,378 ($20,570,845). The lower volume reflected lighter hog slaughterings in western Canada. Company's sales on domestic market were $53,743,187 ($46,972,414). While domestic sales were cut off during the strike, the easing of domestic quotas on pork during the year and their removal in October made more product available for consumption in Canada.

Higher hog market has attracted a larger number of hogs to exporting packinghouses, and fewer are being slaughtered locally and on farms, the annual report states. Heavier inspected slaughter, and lower domestic consumption may make more bacon available for export than the quantity contracted for shipment in 1948 (195 million lbs.), President D. J. Dinning states.

The assured export outlet for beef is for only 45 million lbs., not a large quantity in relation to Canada's total slaughter. With a world shortage of meat, however, it can be assumed that a market can and will be found for any surplus produced in this country, Mr. Dinning says.

Operations of the company egg drier have been resumed and it is considered that the export for the present year will equal 1947. In the past year meat canning operations for domestic consumption were resumed on a wide scale, it is stated.

In the past 10 years the feeds and fertilizer department has become an important part of company operations, it is stated.

INCOME ACCOUNT

Years Ended:	Dec. 31 1947	Jan. 1 1947
Total net income	$1,740,301	$1,481,235
Less: Deprec.	417,039	667,661
Bank int.	81,568	31,144
1st mtge. bd. int.	135,505	142,361
War invent. res.	215,000	......
Income tax	375,000	167,800
Net profit	516,189	472,269
Less: Divds.	212,324	176,559
Surplus for year	303,865	295,710
Times Bond Interest Earned:		
Before deprec.	12.24	10.19
After deprec.	9.16	5.50
Earnings per Share and Dividend Record:		
Cl. A: Earned	$15.41	$14.10
Earned‡	4.37	4.07
Paid	1.75+0.50	2.00
Cl. B: Earned‡	3.37	3.07
Paid	1.00+0.25	1.00
‡After participation.		

CONDENSED BALANCE SHEET

As at:	Dec. 31 1947	Jan. 1 1947
Cash	$446,342	$193,547
Accts. rec.	3,519,902	3,377,394
Inventories	8,638,888	5,538,565
Total curr. assets	12,605,132	9,109,506
Prepaid exps., etc.§	209,856	216,538
Employ. pens. fund	212,319	230,437
Misc. invests.	226,803	210,499
Invest. in subs.	1,512,054	1,602,060
Fixed assets*	6,564,246	6,777,567
Total assets	21,330,410	18,146,607
Bank lns. & overd'ft.	6,927,107	3,835,919
Accts., tax., etc., pay.	1,990,974	1,900,145
Bonds pay.	150,000	150,000
Total curr. liab.	9,068,081	5,886,064
Funded debt	3,400,000	3,550,000
Capital stock	2,724,300	2,724,300
Capital surplus	4,123,541	4,275,620
Earned surplus	2,014,488	1,710,623
*After depr. of	7,442,555	6,798,770

§Incl. in current assets in Co's. report.
Conting. liab.—Bank loan guarantee, $50,000.

Working capital	3,746,907	3,439,980

(Incl. prep. exps., as per trust deed).

FOUNDATION CO. OF CANADA 1947 net profit was up slightly from previous year at $245,300 ($242,449). The company had a gratifying volume of business, especially in industrial-building construction in the area tributory to Toronto, in harbor-development works and in construction work for the pulp and paper mills, the annual report states. High cost of construction may be attributed in no small measure to the fact that, under conditions prevailing during 1947 a given operation may have taken anything up to twice the normal time to complete, it is said.

Company's salvage ships have had a busy year, responding to calls for assistance at the rate of approximately one every 18 days. The company, in association with Moran Towing Corp. of New York, caused to be incorporated under Letters Patent of the Dominion of Canada a new company, Foundation Maritime (Atlantic) Ltd. The objective of the new company is the establishment of a salvage station in the Bermudas to cover an area of the Atlantic Ocean heretofore shared largely by the Moran Co. operating out of New York. The new company has acquired an ATA class ocean-going salvage tug built at Orange, Texas, in 1944 for the United States Government, now renamed "Foundation Lillian" and transferred to Canadian registry.

The company inaugurated a tugboat service in the port of Port Alfred on the Saguenay River which in tonnage handled is now one of the largest ocean ports of Canada.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$809,741	$757,881
Less: Deprec.	261,010	211,057
Deb. int.	21,562	9,375
Pension fund	43,513	......
Income tax res.	238,356	295,000
Net profit	245,300	242,449
Less: Com. divds.	118,440	118,440
Surplus for year	126,860	124,009
Earnings per Share and Dividend Record:		
Common	$2.90	$2.87
Paid	1.40	1.40

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$702,827	$611,651
Accts. rec.	1,937,326	1,538,138
Inventories	598,983	729,135
Total curr. assets	3,239,136	2,878,924
Prep. exp.§	79,418	......
Misc. assets▲	443,371	361,381
Fixed assets	4,144,210	4,038,620
Total assets	7,906,135	7,278,925
Bank loan	700,000	225,000
Acts., tax, etc., pay.	1,563,403	1,493,104
Divd. pay.	29,610	29,610
Total curr. liab.	2,293,013	1,747,714
Funded debt.	600,000	675,000
Depreciation res.	2,346,987	2,306,116
Other reserves	232,018	264,120
Capital stock	710,000	710,000
Capital surplus	20,000	20,000
Surplus▲	1,704,117	1,555,675
§Incl. in curr. assets in co.'s report.		
▲Incl. refd. EPT	100,231	145,173
Working capital	946,123	1,131,210

Contingent liab. re guarantee of bank loan of non-consol. sub. up to $100,000.

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INVESTMENTS

Investors Syndicate

Will you please give me some information on Investors Syndicate of Canada?

Investors Syndicate of Canada, Ltd., is a wholly-owned subsidiary of the American company, Investors Syndicate of Minneapolis, Minn., established in 1894. Investors Syndicate of Canada, Ltd. was incorporated by an Act of the Manitoba Legislature in 1940 to take over the Canadian business of the United States company which had been operating in Canada from 1926.

The Canadian company states that its affairs and activities are subject to inspection by the Municipal and Public Utility Board of Manitoba. The company is also registered with the Ontario Securities Commission, the Superintendent of Insurance in Saskatchewan, the Superintendent of Brokers in British Columbia, the Registrar of the Securities Act in Alberta and Quebec and the Board of Commissioners of Public Utilities in New Brunswick. It is subject to the laws administered by those officials which are applicable to the company and it files a monthly statement with government officials in each province in which it is licensed.

The company maintains a deposit of assets with the Toronto General Trust Corporation, Toronto, under a trust agreement authorized by the Act incorporating the company in an amount equal at all times to the company's total liabilities upon all outstanding investment contracts. As a rule, investments of this company follow closely along the lines of those permitted to life insurance companies or trustees in Canada.

At Dec. 31, 1947, total assets were reported at $17,927,715 ($12,701,637 a year before) as compared to liabilities for contract reserves of $16,241,949 ($11,547,973). Nearly half of the assets was represented by investment in marketable securities which totalled $8,830,448 on the company's books and which, it reports, had market value of $8,961,239. The main other assets consisted of $7,576,344 of first mortgages on real estate which were nearly doubled in 1947 from the $3,843,827 amount at Dec. 31, 1946.

Investors Syndicate was holding $1,161,179 cash at Dec. 31, 1947 of which $900,000 was held by a control depository.

A list of investments held at Dec. 31, 1947, indicates as follows:

Bonds	Book Value
Dom. gov't & gtees	$1,959,131
Prov. govt. & gtees	396,763
Can. municipal	123,978
CPR perpetuals	148,875
Can. industrials	1,822,848
Can. utilities	1,364,525
Australia, externals	99,510
Stocks	
Preferred	1,766,338
Bank	407,792
Common	668,154

There can be little criticism of the actual investments held. It is likely that the market value of the investments is somewhat lower than it was at the year end in view of the trend in bond prices.

Butterfly Hosiery

Will you please give me some information on the earnings picture of Butterfly Hosiery Co.

This company has not yet issued its 1947 report. We are informed that the delay was due to a strike at the company's plant at Drummondville, Quebec, which prevented the auditors from working on the books. It is expected, however, that the report will be published very soon. Most investment men believe it will show earnings over $2 a share compared to $1.01 last year.

We are further informed that the demand for this company's product is still heavy and that customers are supplied on a quota basis. In November, 1946, the company got delivery of the first of five new high-speed, 32-section, 51-gauge machines. It is estimated that these machines have boosted production by 25%. The common stock of Butterfly Hosiery is quoted on the Montreal curb market at $11.75.

In 1947, the company paid semi-annual dividends on June 15 and Dec. 15. The June payment was 35c a share and the December dividend was 35c, with 15c extra, making a total payment for the year of 95c. In 1946, the common stock sold for a high of $11.50 and a low of $8.50. In 1947, $16.25 was the high, and $10.00 was the low. Providing consumer spending remains at the present high level, it would appear that Butterfly Hosiery should be able to maintain its profitable operation. There is always the possibility, of course, that increased labor cost will cut into the net profit; but more definite information on this point will have to wait until the annual report is published.

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Bring Advertising Research To Canadian Magazines, Aim

They're working on that plan to extend the activities of the Advertising Research Foundation to Canada.

Recently, the six-man Canadian agency-advertiser committee met with directors of the Magazine Publishers Association to discuss the idea. On hand was A. W. Lehman of New York, managing director of the Foundation which has been operating for several years in the United States.

Essentially, the idea is that advertising media "validate" their research claims by letting the Foundation supervise the work as an independent "third party."

To the magazine publishers, Mr. Lehman gave a preliminary sketch and approximate costs of three research jobs which could be carried out through the Foundation. These were:

1. A survey of the total audience of a half dozen or more leading magazines.
2. A regular monthly service rating national advertisements appearing in certain periodicals.
3. Separate surveys on individual publications, along either readership or total audience lines and/or rating editorial and advertising copy.

Studied by Magazines

The magazine publishers are considering the plan. In this, they parallel magazine publishers in the United States who are just now thrashing out a proposal for a Foundation-controlled research program.

In the United States, continuing surveys are under way on daily newspapers, car cards, farm papers, and weeklies. In the development stage, along with the general magazine project, are business papers and executive magazines.

In Canada, no surveys have yet been undertaken under the new setup (three Canadian daily newspapers were surveyed via the Bureau of Advertising, New York). For several months now, it has appeared likely that the first survey would be one on "car cards" sponsored by the Canadian Street Car Advertising Co. Final approval of this is now awaited.

Though the plan depends, initially at least, upon the availability of the "research machinery" of the Foundation in the United States, it is agreed that, where-ever possible, Canadian commercial research organizations will be retained to do the actual polling.

Agency-Advertiser Group

Activities of the Foundation in Canada will be under the direction of the agency-advertiser committee which has H. H. Rimmer (Canadian General Electric) as chairman; Mark Napier (J. Walter Thompson) as vice-chairman; and J. A. M. Galilee (Association of Canadian Advertisers) as secretary-treasurer. On matters of standards, however, the Foundation's technical committee in New York will have final say.

Just as the Audit Bureau of Circulation's make-up gives control of circulation auditing to the media's "customers," so the new Foundation will give the "customers" a similar guarantee on research claims. The Foundation will supervise the field work, write a report, and control the re-use of figures. In this connection, Mr. Lehman says:

"During my 15 years of experience in research, I have never found a medium on which research developed injurious, unfavorable results, unless the medium representative was making false claims. In the early days of the Audit Bureau of Circulations, publishers who had been claiming 57,000 circulation when they had 7,000 were hurt by ABC. People who made flagrant misrepresentations based upon so-called research may be hurt by the publication of results by a neutral body such as the Foundation. But any medium that is worth its salt can profit from publication of research results."

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADA PERMANENT TRUST 1947 net profit was up at $85,642 ($80,602). There was also a gain in the amount of trust and estate assets under administration, of approximately $545,000, and the total now of $69,145,000 is the largest in the history of the company, the annual report states. In 1947, 356 new estates, trusts, or agency accounts came into company hands for administration, with assets aggregating over $8 millions.

During the year the company was authorized by a special act of parliament to increase its capital stock from $1 million to $5 millions. This puts it in a position where it can issue more capital to keep pace with the growth of its assets under administration.

By reason of purchase by the Mortgage Corp. of the assets of Midland Loan & Savings Co., the trust company looks forward to extending its trust service eastward in Ontario.

Average size of estates or trusts under administration continues to run between $20,000 and $25,000.

	1947	1946
Liab. to public, etc.*	$123,666	$262,691
Shareholders' equity	1,608,111	1,582,469
*Secured by:		
Mtges. & sls. agree.	617,649	677,526
Liquid assets†	1,114,128	1,167,634
Total	1,731,777	1,845,160
†Includes bonds and stocks.		
Estate account	69,145,852	68,600,817
Earned per share	$8.56	$8.06
Paid	6.00	6.00

NATIONAL HOSIERY MILLS, LTD., 1947 net profit was up 17% to a record high. Company plants at Hamilton, Ont., and Richmond, Que., are operating 24 hours daily in an endeavor to cope with demand for company products, President E. B. Eastburn states.

The plan of mill expansion initiated two years ago is nearing completion. With installation of new knitting equipment, total productive capacity should be increased about 25% in 1948, it is stated. Operations so far in 1948 compare favorably with 1947 and another good year is anticipated, the president says.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$698,197	$707,061
Less: Depr.	58,396	46,550
Life ins.	......	2,114
Income tax	322,644	381,674
Add: Asset sale prof.	6,969	......
Net profit	324,126	276,723
Less: Cl. A divds.	49,192	24,596
Pref. divds	......	3,232
Surplus for year	274,934	248,895
Earnings per Share and Dividend Record:		
Class A	$3.95	$3.38
Paid	0.60	0.30
Old pref. paid	......	0.21
Common	6.71	5.55
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$384,447	$291,847
Accts. rec.	250,650	219,117
Life ins., c.s.v.	19,618	18,493
Inventories	379,094	374,364
Total curr. assets	1,033,809	903,821
Def. chgs., etc.▲	128,811	137,713
Fixed assets*	347,799	227,349
Total assets	1,510,419	1,268,883
Total curr. liab.	311,829	345,228
Capital stock	462,442	462,442
Earned surplus▲	736,148	461,213
*After depr. of	818,646	765,758
▲Incl. ref. EPT	122,854	132,703
Working capital	721,980	558,593

WILSIL LTD. 1947 net profit was just off slightly from previous year. The decline in hog production, in effect since the peak year of 1944 was checked. Number of hogs marketed during the first months of 1948 has been substantially greater than in 1947, but it is anticipated that these gains will be offset, to some extent, by lighter marketings during the last half of the year.

Inspected slaughter of cattle totaled 1,304,166 head in 1947 (1,666,310 in 1946). It is expected that receipts at market during 1948 will approximate those of last year, and that they will find a ready sale.

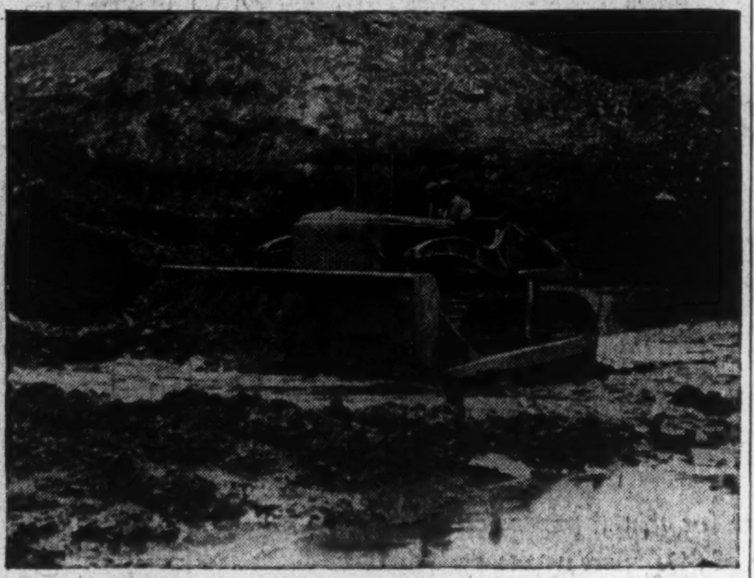
CONS. INCOME ACCOUNT

Years Ended:	Dec. 27 1947	Dec. 28 1946
Oper. profit	$529,892	$609,097
Less: Deprec.	58,059	54,818
Inc. tax res.♦	230,525	310,661
Net profit‡	241,308	243,618
Less: Divds.	135,700	135,700
Surplus for year	105,608	107,918
♦Incl. ref. EPT	......	369
‡Note: Co's. report includes refund. EPT in net profit and surplus for year.		
Earnings per Share and Dividend Record:		
Com.: Earned	$1.78	$1.80
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at:	Dec. 27 1947	Dec. 28 1946
Cash & Dom. bds.	$643,236	$594,169
Accts. rec.	1,461,741	1,128,039
Inventories	2,130,466	1,230,634
Total curr. assets	4,235,443	2,952,842
Misc. assets▲	69,631	55,611
Fixed assets*	719,507	717,304
Total assets	5,024,581	3,725,757
Bank overdraft	1,290,359	253,158
Accts. & tax. pay.	589,462	518,447
Divds. pay	33,925	33,925
Total curr. liab.	1,913,746	805,530
Invent. res.	420,000	335,000
Capital stock	1,027,000	1,027,000
Surplus▲	1,663,835	1,558,227
*After depr. of	860,348	809,751
▲Incl. ref. EPT	32,383	34,382
Working capital	2,321,697	2,147,312

POWER
For Profitable Production
For crawler tractors to help boost production . . . for crawlers that will stand up under the brutal battle . . . get INTERNATIONAL Diesels. With ordinary care, they'll serve you season after season and pay their way in extra profits.



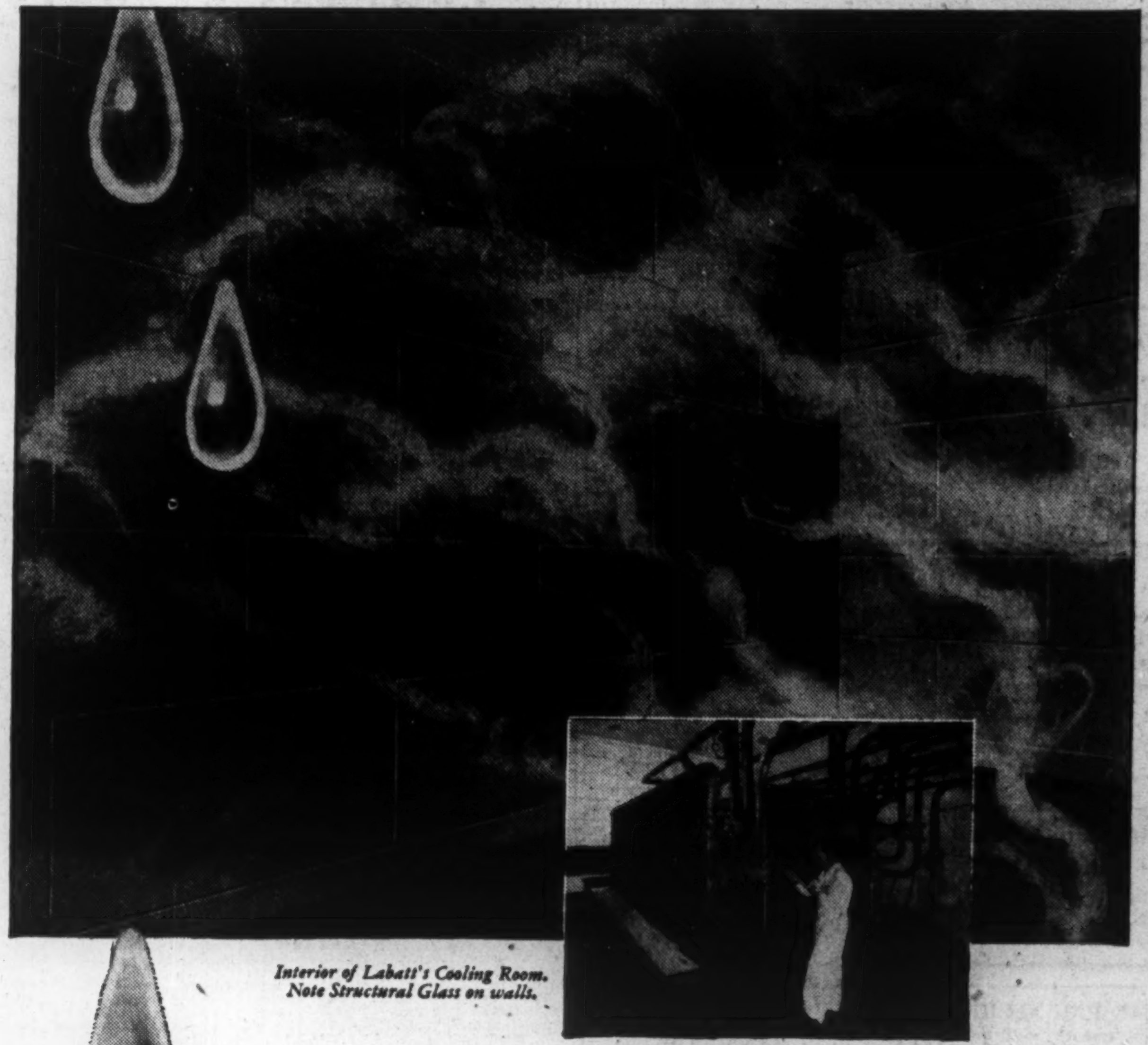
Here is what makes International Diesel Crawlers popular everywhere:
- Quick, positive, all-weather starting.
- Sturdy construction that will take the hard knocks of grueling jobs and keep going.
- Smooth, dependable, bulldogged power of an International 4-cycle, valve-in-head full-Diesel engine.
- Fast, easy gear shifting.
- Wide speed range.
- Oscillating tracks for stability and good ground contact.
- Positive track alignment.
- Convenient controls.
- Excellent visibility.
- Individual unit accessibility for low maintenance costs.

Get all the facts from our distributor. Let him help select the power and equipment you require.

INTERNATIONAL HARVESTER COMPANY OF CANADA LIMITED
Hamilton Ontario

INTERNATIONAL POWER
CRAWLER AND WHEEL TRACTORS • DIESEL ENGINES • POWER UNITS

INTERNATIONAL INDUSTRIAL POWER DISTRIBUTORS: B. C. Equipment Company Ltd., Vancouver, B.C.; J. S. Galbraith & Company, Vernon, B.C.; Central Truck & Equipment Co., Nelson, B.C.; East Kootenay Equipment Company, Cranbrook, B.C.; Industrial & Road Equipment Ltd., Calgary, Alta.; R. J. Fyfe Equipment, Regina, Sask.; Kane-Marr Company, Winnipeg, Manitoba; Twin City Industrial Equipment Ltd., Port Arthur, Ontario; W. G. Reid, Fort Frances, Ontario; Soo Garage, Sault Ste. Marie, Ont.; W. L. Ballentine Company Ltd., 380 Fleet St. W., Toronto, Ont.; Chas. Cusson Limited, Montreal, Quebec; Lounsbury Company Limited, Moncton, N.B.; J. Clark & Son Limited, Fredericton, N.B.; Industrial Machinery Co. Ltd., Halifax, N.S.; Corner Brook Foundry and Machine Co. Ltd., Corner Brook, Nfld.



Interior of Labatt's Cooling Room. Note Structural Glass on walls.

The wall wept happily ever after

• This is the story of a Frustrated Wall that couldn't shed its tears.

The air is full of moisture in the cooling room at John Labbatt Limited, London. Beads of water condense on the walls.

The walls Labatt's used to have in the cooling room soaked up these condensed 'tears' like a good blotter. This caused the wall to rot and crumble. Maintenance was costly and continual.

Labatt plant engineers got together with Hobbs Glass Limited on the problem. Hobbs found the answer: walls of STRUCTURAL GLASS . . . strong, sanitary, *moisture-proof*. Labatt's new STRUCTURAL GLASS wall has wept happily ever since . . . *shedding* its 'tears', instead of soaking 'em up and crumbling.

Every day, Canadian architects are solving more and more problems in insulating, lighting and decorating with glass by Hobbs . . . in factories, offices and homes. In Canada—it's HOBBS for glass! Hobbs Glass Limited, London, Canada.

Also sold in Canada by Hobbs: Twindow insulating windowpanes, Foamglas insulation, Coolite glare- and heat-reducing glass, Corrugated glass, Herculite tempered glass, Nucite glass chalkboard, Plate glass, Safety glass, Mirrors, Pittsburgh Paints.

Look to GLASS for better living
. . . Come to HOBBS for GLASS!

HOBBS GLASS . PAINT

From the smallest crop, the largest gain...

Canadian pulp and paper mills take only one sixth of the forest consumption; less than firewood; less than lumber; and far less than fire, insects, and disease.

Yet, pulp and paper creates more wealth for Canadians than any other industry; more than all the mineral industries in Canada combined. Every Canadian has a stake in pulp and paper.

So, from the smallest part of the forest crop comes the greatest gain to Canada: pulp and paper.

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113 MILLS, SMALL AND LARGE, FROM COAST TO COAST

Cars for Hire — Drive Yourself
Our Cars Insured
Telephone Waverley 1111
50 new 1948 Cars Available.
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AMERICAN AIRLINES Airfreight
Time-saving . . . Economical
✓ FOR SHIPPERS—Speedy distribution.
✓ FOR CONSIGNEES—New, profitable merchandising.
Low domestic rates to the U. S.—for example, only $4.05 per hundred-weight to New York . . . And, American provides regular, scheduled, dependable cargo service to Britain and the European Continent.
AMERICAN AIRLINES

The INDEPENDENT Order of FORESTERS
Strong financially, broad-based fraternally, its plans of operation place it in the fore-front of institutions serving the public in this co-operative age.
Since 1874 it has served the homes of the land in providing protection and security for the family.
Insurance protection with practical fraternal benefits
Assets over $47,000,000
Victor Morin, LL.D., *Supreme Chief Ranger*
Head Office: Toronto, Canada

Lush Buying Days Are Gone Auction Barometer Reveals

If you want to know how much loose spending money is burning in people's pockets ask an auctioneer—especially if he's in the high quality trade.

"First to feel a recession, last to benefit from boom times" he'll likely tell you that today times are getting tougher every month.

So, at any rate, says Ben Ward-Price of Toronto, one of the leading figures in the business of auctioneering fine furnishings on consignment who sums the position up: "the lush days are over."

And business, he adds, has been dragging since early last year.

"All through the war years there wasn't an empty seat in my galleries," he told The Financial Post, "not even standing room—and I didn't have to do a job of selling: people had too much money, some of it easily made.

"But now, customers who paid more for used bedsheets than they were worth are recovering their senses. Dining-room suites that fetched $325 in 1946 without any effort can't drag out a dollar beyond $250 today and at that the buyer pays up grudgingly.

"Never had one complaint from seller-clients during the war. Now, with people looking more cannily for bargains, sellers are grumbling—and still dreaming of the prices goods used to bring when they were scarce everywhere.

"In fact, it's almost as hard to get goods in for sale as it is to move them—that is, compared with the war years. Recently we had to send back one lot of goods sent in on consignment."

Ward-Price doesn't figure that conditions in his business point to a depression: "We're just getting back to normalcy that's all."

In times like these, household furnishings are the last concern of men and women with money to spend. A man will spend money on his wife's clothes — for the minute she starts looking dowdy, he figures it reflects on the state of his business.

"They'll both agree to spend on keeping up with the Joneses: on a more expensive car than they can afford, on exterior house decoration, on an expensive school for their children. But when it comes to a fine quality rug, or a cabinet-made bedroom suite that's a different tale."

But business in the medium-price field, Ward-Price emphasized, is still good.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

TRADERS FINANCE CORP. 1947 net profit was up 46.8%. The volume of business handled by the company has shown a substantial increase as a direct result of the resumption of production of automotive equipment and other durable goods, the annual report states.

As of Apr. 1, 1947, an additional 10,000 4½% cumulative redeemable preferred shares were issued, thereby increasing the total issued number of these shares to 35,000. On Sept. 29, 1947, the $2.3 million 2% to 3% serial debentures remaining outstanding were redeemed and replaced by $10 million 2½% collateral trust serial notes.

CONS. INCOME ACCOUNT

Year Ended Dec. 31:	1947	1946
Net income	$1,715,068	$687,765
Less: Deb. int., etc.	575,426	125,578
Income tax res.	369,923	147,775
Minority int.	70,499	61,136
Appr. sundry res.	7,983	24,901
Add: Prof. on secs.	18,474	155,067
Net profit	709,711	483,472
Less: Int. on rights	19,716	19,716
"A" pref. divds.	143,967	112,498
Com. divds.	71,929	......
Surplus for year	474,099	351,258
Earnings per Share and Dividend Record:		
Rights: Earned	$35.80	$24.39
Paid	1.00	1.00
4½% Pref.: Earn	33.41	20.38
Paid	4.50	4.50
A & B: Earned	9.49	6.10
Paid	1.00+0.25	......

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$3,419,162	$1,681,133
Marketable secs.*	4,426,460	4,148,028
Accts. rec.	28,946,564	11,848,520
Sundry loans	1,372,675	1,055,116
Total curr. assets	38,164,861	18,732,797
Subs. inv. & adv.‡	221,242	223,946
Equipment, etc.	150,450	99,266
Total assets	38,536,553	19,056,009
Bank loan (sec.)	13,211,660	6,000,000
Accts., tax., etc., pay.	863,879	529,947
Dealers' res. etc.	514,422	318,392
Total curr. liab.	14,589,961	6,848,339
Funded debt	12,083,562	2,510,583
Mortgages pay.	3,501	4,100
General reserves	1,626,992	1,443,936
Min. int. in subsids.	502,661	494,898
Unearned chgs. res.	2,944,659	2,069,819
Capital stock	3,005,343	2,333,643
Earned surplus	3,779,834	3,350,691
*Market value	4,513,745	4,342,678
‡Incl. ref. EPT	14,250	13,647
Working capital	23,574,900	11,884,458

INTERNATIONAL METAL INDUSTRIES 1947 net profit was up 57.3%. Volume of business and operating and net profits were the highest in company history. While present indications point to satisfactory results for 1948, sales and earnings are not expected to equal those of 1947 as operations for the current year "have been restricted to the available supply of materials and by the curtailment of service station programs within the oil industry," the annual report states.

Inventories at year end were valued at $6,138,600 compared with $4,553,107. The increase reflects the higher material and labor costs and the additional stocks required for the increased sales volume, President H. W. Knight states.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$3,773,282	$1,995,217
Less: Deprec.	202,177	173,297
Inc. taxes	1,500,000	▲850,300
Special res.	700,000	100,000
Net profit	1,371,105	871,620
Less: Pref. divds (new)	174,573	179,848
Cl. A. divds.	301,299	301,299
Cl. B. divds.	80,000	62,500
Surplus for year	815,233	327,973

▲After deducting $70,000 U.S. subsid's tax credit.

Earnings per Share and Dividend Record:		
Pref.:		
Earned	$37.19	$21.87
Paid	4.50	4.50
Class "A":		
Earned	6.35	3.67
Paid	1.60	1.60
A. & B. comb.:		
Earned	5.02	2.90
Cl. B.: Paid	1.60	1.25

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$2,103,853	$1,807,762
Market secs.‡	......	301,183
Accts. rec.	1,892,533	1,840,433
Inventories	6,138,600	4,553,107
Total curr. assets	10,134,986	8,502,485
Misc. assets▲	245,592	309,218
Fixed assets*	2,145,544	1,961,756
Total assets	12,526,122	10,773,459
Bank loans	500,000	750,000
Accts. divs., tax.	3,108,066	2,421,136
Total curr. liab.	3,608,066	3,171,136
Conting. res.	1,000,000	200,000
Capital stock	4,401,436	4,700,936
Surplus▲	3,516,620	2,701,387
*After depr. of	2,457,457	2,351,977
‡Apx. mkt. val.	......	360,300
▲Incl. ref. EPT	40,700	40,700
Working capital	6,526,920	5,331,349

PERRRON GOLD MINES experienced a drop in net profits to 5.5 cents a share in 1947 (8 cents a share in 1946). Ore reserves dropped nearly a third to 132,000 tons after milling 10,506 tons during the year.

Working capital showed a decrease of approximately $200,000 at $687,116 but not included in current assets is a substantial investment in New Calumet Mines (carried at $1) and a block of shares in Croinor Pershing carried at $257,571.

Diamond drilling has indicated a new favorable zone 1,000 to 1,600 ft. west of the shaft. It is planned to explore this area at the 325-ft. level during 1948.

Plans also call for embarking on a large-scale underground program the last half of the current year.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Bullion recov.	$654,560	$722,672
Less: Mkt. chgs.	5,751	7,519
Net production	648,809	715,153
Less: Oper. exps.	567,463	550,350
Oper. earnings	81,346	164,803
Add: Misc. inc.	57,579	80,169
Net earnings	138,925	244,972
Less: Deprec.	25,266	29,937
Res. for taxes	3,000	49,267
Net profit	110,659	165,768
Less: Divds.	100,000	200,000
Surplus for year	10,659	■34,232
■Deficit.		
Earned per Share.	$0.055	$0.08
Paid	0.05	0.10

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Bullion	$53,835	$57,915
Investments*	547,613	767,060
Accts. rec.	33,365	30,001
Mat. & supplies	175,989	180,261
Total curr. assets	810,802	1,035,237
Prep. & def. chgs.	7,160	8,632
Adv. to & inv. in other cos.	415,751	200,220
Mining props.	1,121,180	1,121,180
Other props.	30,876	30,524
Plant & equip.†	123,928	106,277
Total assets	2,509,697	2,502,070
Bank overdraft	30,400	8,102
Other curr. liabs.	93,286	137,246
Total curr. liab.	123,686	145,348
Capital stock	1,595,908	1,595,908
Earned surplus	790,103	760,814
*Market value	650,000	893,000
†After depr. of	914,054	888,787
Working capital	687,116	889,889

OPERATING STATISTICS

	1947	1946
Tons milled	101,506	113,740
Average recov.	$6.45	$6.35
Ore reserves, tons	132,000	174,000
Grade ($35 gold)	$6.37	$6.48

Ottawa, Provinces Lump Four Kinds of Training

Financing and management of four kinds of vocational training—veterans, unemployed, youth, foremen—is consolidated under a new two-year agreement from April 1, 1948 between federal and provincial governments. Consolidation is provided for by order-in-council PC 1146, passed under the Vocational Training Co-ordination Act, 1942. The Dominion will pay (a) dollar for dollar the cost of training all except war veterans; (b) full cost of training veterans.

The year was 1835 . . .

. . . over 32 miles of primitive roads and tangled woodland trails *walked* six Canadian pioneers . . . arguing fiercely as they went. Their purpose: *to kill each other's vote!*

Yes, these six early settlers knew they were evenly divided in opinion . . . that *three* would vote for one candidate Dr. William Dunlop, The Canada Company's man . . . and *three* would vote for the other candidate, Col. Anthony Van Egmond. Yet they made the gruelling march to Goderich, Ontario, there to cast their ballots in the 1835 election of The Upper Canada Legislative Assembly. Not one of the six said *"There's no use my going—my vote will be killed."*

When YOU cast your secret ballot at every election—municipal, provincial, federal—you exercise a duty and privilege planned, worked and fought for by your forefathers. Your vote protects the future of your children. To fail in this duty is to be less than a good citizen.

PUBLISHED IN THE INTERESTS OF GOOD CITIZENSHIP BY

Gooderham & Worts
LIMITED
Distillers · Toronto
Established 1832

Waterfront of the Town of York (now Toronto) in 1832 Gooderham & Worts Mill in foreground.

From End to End of Power Piping Uniform Quality Stands Guard

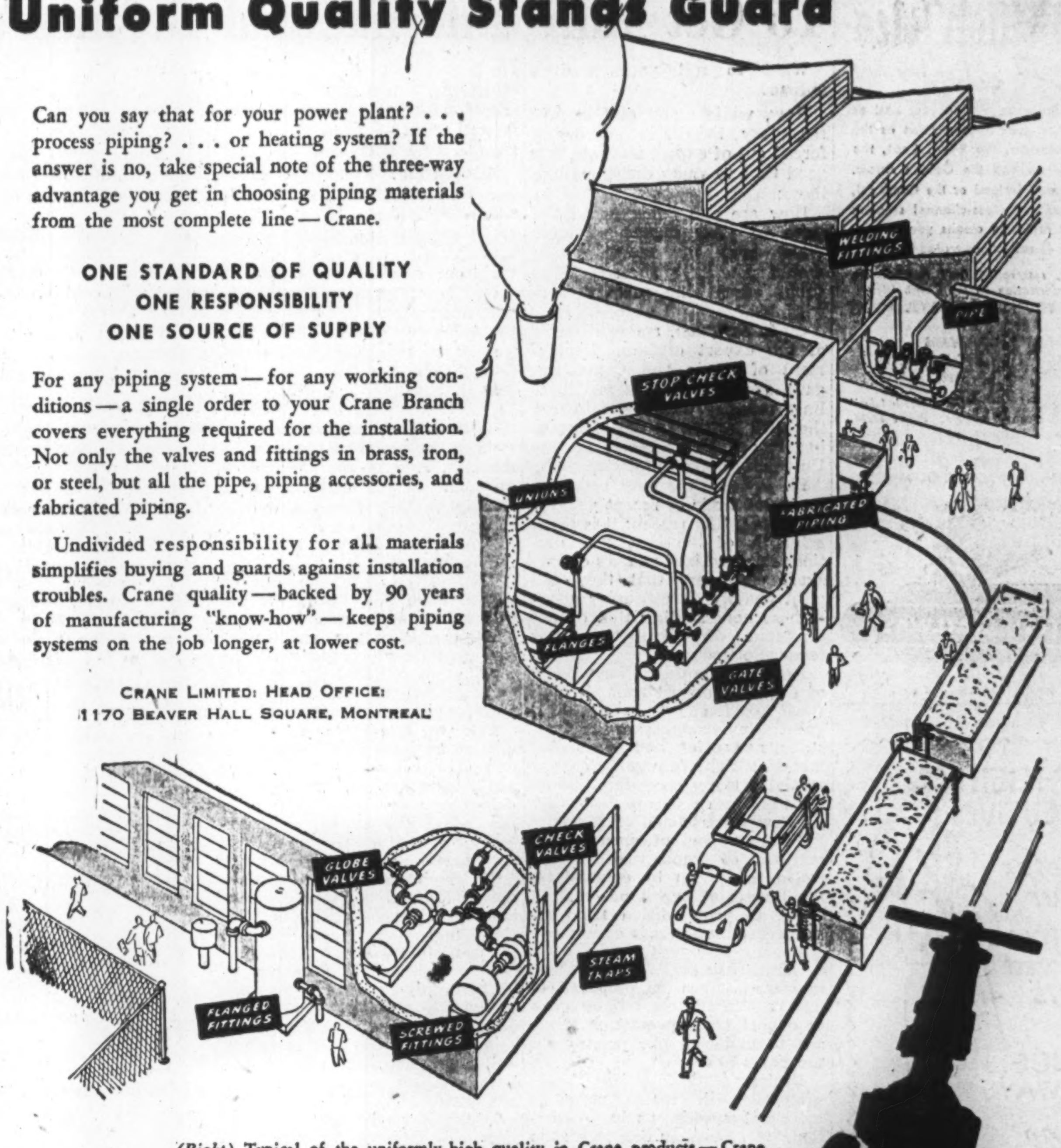
Can you say that for your power plant? . . . process piping? . . . or heating system? If the answer is no, take special note of the three-way advantage you get in choosing piping materials from the most complete line — Crane.

ONE STANDARD OF QUALITY
ONE RESPONSIBILITY
ONE SOURCE OF SUPPLY

For any piping system — for any working conditions — a single order to your Crane Branch covers everything required for the installation. Not only the valves and fittings in brass, iron, or steel, but all the pipe, piping accessories, and fabricated piping.

Undivided responsibility for all materials simplifies buying and guards against installation troubles. Crane quality — backed by 90 years of manufacturing "know-how" — keeps piping systems on the job longer, at lower cost.

CRANE LIMITED: HEAD OFFICE:
1170 BEAVER HALL SQUARE, MONTREAL



(Right) Typical of the uniformly high quality in Crane products — Crane Alloy Steel Wedge Gate Valves. The 600-pound class, with Exelloy to No. 49 Nickel Alloy seating, is recommended for steam, water, gas or air up to 850° F. maximum; with Stellite to Stellite, for steam up to 1000° F.; with Exelloy to Exelloy, for oil or oil vapor up to 1100° F. Screwed, flanged, or welding ends. See your Crane Catalogue for complete specifications.

1-6111

CRANE VALVES · FITTINGS · PIPE
PLUMBING · HEATING · PUMPS
NATION-WIDE SERVICE THROUGH BRANCHES, WHOLESALERS and PLUMBING AND HEATING CONTRACTORS

RELIANCE HIGH SPEED PUNCH PRESS

BRAKING
Built-in HYDRAULIC
CLUTCHING
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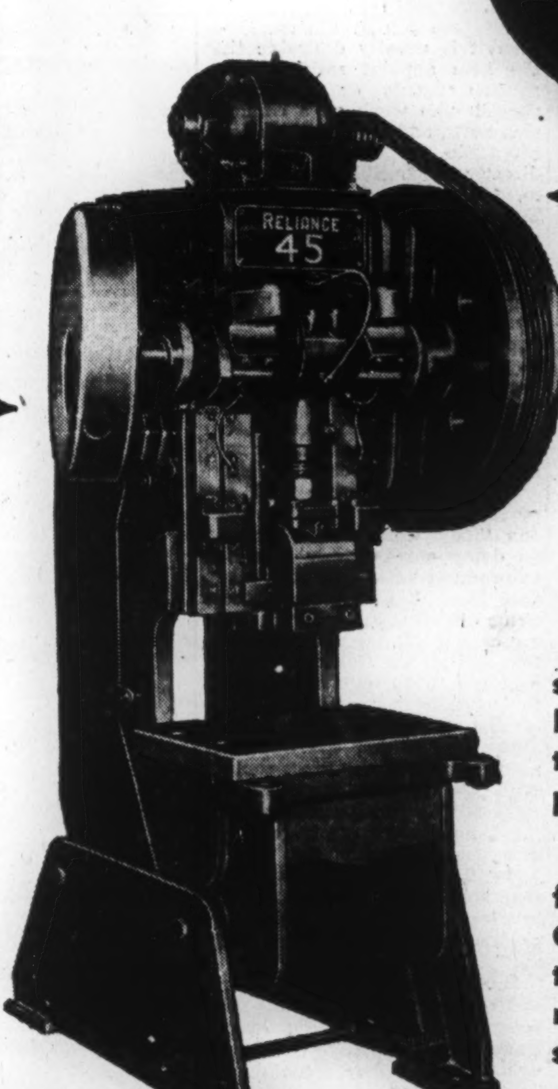


- HIGH SPEED
- 160 STROKES PER MINUTE
- FASTER INTERMITTENT OPERATION
- MORE PRODUCTION PER HOUR
- LONG DIE LIFE
- ACCURACY
- SAFETY — EASE OF OPERATION — QUIET
- STEEL CONSTRUCTION
- TIMKEN FLYWHEEL BEARINGS
- ALL ADJUSTMENT CONTROLS ACCESSIBLE
- ONE-SHOT LUBRICATION

Developed specifically to modernize and speed up operations, this NEW machine has already proved the means of revolutionizing hitherto accepted ideas of punch press performance.

A quick study of the specifications and features of the NEW RELIANCE HYDRAULIC CONTROL INCLINABLE PRESS will disclose the remarkable progress represented in this machine and why its performance in actual service is phenomenal.

Capacity 45 tons

Write for brochure

UNITED STEEL CORPORATION *Limited*
DODGE MEAD
TORONTO · WELLAND · MONTREAL · WINNIPEG · KIRKLAND LAKE

THE ADVERTISING BUSINESS

By WALLACE GILLESPIE

How Can Canadian Firms Improve Ads To Get More International Business?

Want to sell your product abroad?

Now, while many of Canada's secondary industries are being forced out of export markets, is a good time to study questions like these:

How are you going to set the price of your export product? What sort of representation should you have abroad? What about advertising, market surveys, etc.?

G. A. Newman, acting director of the export division, Department of Trade and Commerce, gave some pointers along these lines recently when he delivered the fifth lecture in the "Marketing Know How" series at the University of Toronto.

He thought the easy approach to export trade of recent years is now over. The reason: it is characteristic of the import restrictions imposed by Canada's dollar-short customers that they fall most heavily on consumer goods—those nonessentials that do not contribute directly to the maintenance of industry.

Hence, while the dollar volume of Canada's export trade is high ("we are fortunate in having a great many products such as foodstuffs, newsprint, and nonferrous metals, which are regarded as essential") many secondary industries are being squeezed out.

Few Unrestricted Markets

The number of unrestricted markets of importance in the world today can be counted on the fingers of one hand—and in these, the competition from all supplying countries is exceedingly keen.

"More than ever," he said, "we in Canada must be prepared to put in a first-class job of work in export trade promotion if we are to maintain our position in the years to come."

Declaring that export trade promotion in many ways is merely domestic trade intensified," Mr. Newman dealt with the following topics:

Market Surveys: "Frequently in the past Canadian firms were content to cast their price lists upon the waters — and they often remained there. Now firms are beginning to feel money and effort spent in making a careful check of foreign market prospects is well spent — even if the answer is a negative one."

Advertising: "Frankly, international advertising as far as Canada is concerned is in its infancy. I can foresee that as international restrictions on export trade are dissolved there may be a real field for international advertising agencies, but under present conditions the prospect of success of such agencies is questionable. In the first place, the sale of those products which lend themselves readily to advertising such as consumers' goods are restricted in most of the world's markets. And at present it is a question of Canadian exports merely holding what little trade is permitted them under quota, rather than pressing for greater public interest.

"Today, therefore, the field of international advertising for individual Canadian firms is largely a matter of catalogue distribution, the insertion of company ads in certain international publications and advertising allowances to resident agents abroad."

Price for Export: "Many Canadian firms assume that in pricing for export all they have to do is add freight and insurance to the domestic market price and that is the end of it. And they need not be surprised if there is no sale in response to their initial efforts.

"If they take the time to do so, they will find that there are a number of ways of shading the price for export trade, such as the elimination of production costs which should properly be charged only against the domestic product — the cost of domestic advertising for example and the removal of excise and sales tax which are not applicable to export sales; or the taking of full advantage of the 99% drawback of duty on goods used in products manufactured for export.

"A great many Canadian firms are reluctant to quote any other than their domestic F.O.B. factory price. That may be all right for the domestic market, but an overseas buyer knows nothing of Canada's freight rates. You could of course quote C.I.F. foreign port of destination price, but the indispensable is at least the F.A.S. or F.O.B. Canadian or United States port price."

Export Packing: "After you have established competitive prices, appointed excellent agents, and dealt efficiently with all enquiries and orders, it's a pity that all such efforts may be thrown away through inadequate packing and the resulting dissatisfaction it may cause. You can always assume with certainty that in exportation your product will be handled more frequently and more roughly than on the domestic market. And if it is a consumer product it will probably be subject to attempts at pilferage . . . Stout packing is good insurance.

Export Representation: "Suitable export representation is a crucial phase in any Canadian firm's export trade development program. Generally speaking there are two common forms of export representation. Where Canadian firms are prepared to set up their own export department — large or small (if need be one man can handle the job at the start) — then it is usually desirable that the firm appoint resident commission agents or distributors abroad who work on a commission basis, and solicit orders from reputable importers who are directly responsible for the payment of the goods imported . . . The other form (of export representation) is indirect — through the use of export managers.

"There have been a good many Export-Import firms set up in Canada who are quite willing to operate your export business for you and whose only recommendation is their enthusiasm. These firms should be subject to the same sort of careful investigation that you would use in securing a resident agent abroad.

"There are reliable and experienced export firms in Canada today who can be counted on doing a reasonably good job in products which are adapted to that form of distribution. These firms offer the advantage of taking care of all export representation and all the Canadian firm is required to do is to ship according to their instructions.

"The danger of such an arrangement is that the Canadian manufacturer loses direct contact with the foreign importer; he risks all his foreign contacts being suddenly cut off in event of disagreement with the export house. There is also the possibility that double commissions may be involved which will price his product out of the export market."

Mr. Newman stressed that "no matter how well versed one may be in the mechanics of export trade, such knowledge is of little value in long-term trade development unless it is fused with such moral qualities as Stability, Reliability (and to this I couple simple honesty). Continuity, Adaptability, and Good Will."

* * *

Toronto Ad Club Hears Discontented Optimist

Advertising and Sales Club of Toronto celebrated its 20th birthday this month, with some forecasts by "a discontented optimist."

The man who applies this label to himself is Judge Harold C. Kessinger, of Ridgewood, N.J. To a heavily attended anniversary dinner, he declared:

1. A depression or panic usually follows a war by nine years — give or take a year or two. The reason: the world continually makes the same mistakes which naturally produce the same results. On his figuring, the next major economic dip is slated for around 1954.

2. Without a war to dislocate peacetime economy, it is about 20 years from one panic to another.

3. Events in the United States today show "how badly we need the career men of the British Foreign Office."

4. United Nations charter should be revised to eliminate the veto; an international court should be established, supported by an international army; and "if Russia won't come in on that basis, I say let her stay out."

* * *

Ad and Sales Club Is Formed at Kingston

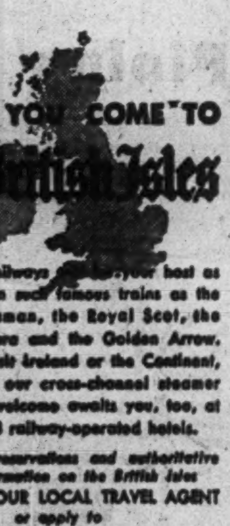
Kingston is at work on the formation of an advertising and sales club.

Twenty of the younger business men of the Ontario city attended a meeting recently; elected an organization committee; scheduled the first regular meeting for May; and decided to seek close co-operation with Queen's University.

Hall Linton, president of the Canadian Advertising and Sales Federation, was on hand to tell the group:

"The existence of a strong, active advertising and sales club in a Canadian city designates that city as worthy of special attention. You cannot bring in eight or ten speakers a year to discuss advertising, selling, and related subjects without affecting the way business is done. You cannot sit down once a month with the rest of the business men of your community, without getting to like them better and seeing more opportunity to co-operate with them enjoyably and profitably. You cannot take your part in the educational projects and other activities recommended by the Canadian Federation without increasing the public prestige of the businessmen of your community."

The meeting was brought together by two members of the Peterboro Advertising and Sales Club, Paige Rowell and Bert Cowan. The organization committee consists of Clinton J. Keller, sales manager of J. W. Palmer Motors Ltd. (chairman); George Mundy, Crawford Coal; D. Steacy, Steacy's Ltd.; J. Ferguson, Steacy's Ltd.; W. Browning, Kingston Whig-Standard; Earle Fowler, Doner's Ltd.; G. O'Connor, Remington-Rand; and R. Wilson, Joseph Abramsky & Sons Ltd.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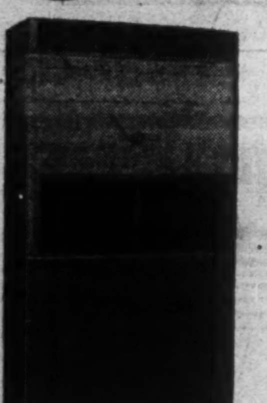
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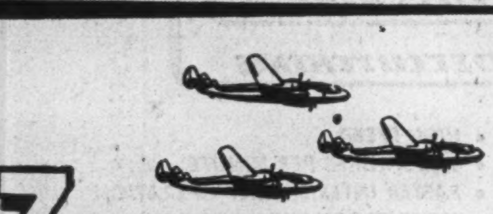
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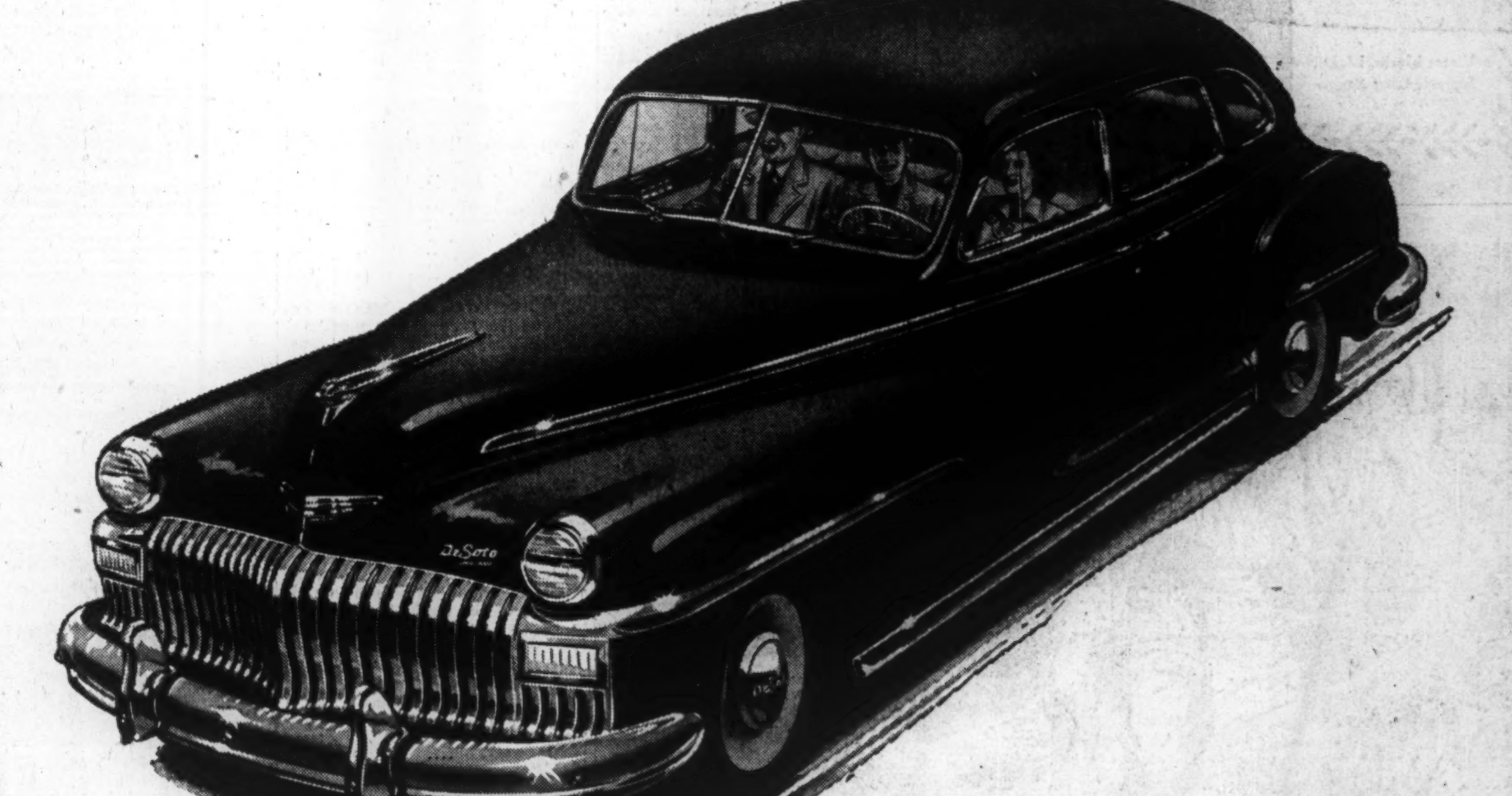

THIS QUESTION WAS ASKED IN AN INDEPENDENT CANADA-WIDE SURVEY OF DE SOTO OWNERS:

"Regardless of price and taking everything into consideration -- appearance, comfort, economy, ease of driving and general all-round performance -- what is the name of the best car you ever owned?"

THE VAST MAJORITY OF OWNERS ANSWERED

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